1. Welcome to Attendees

2. Approval of Minutes – February 11, 2020 Audit & Compliance Meeting & Chair report to the Board of Trustees on April 17, 2020 1-5

3. Continued Approval of the BOT Audit and Compliance Committee Charter 6-12

4. Office of Compliance and Ethics
   a. Updates since April 17, 2020, Board of Trustees meeting

5. Office of Inspector General Services
   a. Request to enter into an Audit Contract for the FSU Department of Collegiate Athletics and FSU Athletics Association
   b. Annual Approval of the Office of inspector General Services Charter 13-19
   c. Updates since April 17, 2020, Board of Trustees meeting


7. Motion to Adjourn
Audit and Compliance Committee Meeting

February 11, 2020
2:00p.m.

Florida State Conference Center
Augustus B Turnbull III
555 West Pensacola Street
Tallahassee FL

Trustee Members Present: Jorge Gonzalez, Max Alvarez and Evan Steinberg. Trustee Jim Henderson attended via telephone.

1. Call to Order and Welcome

Mr. Jorge Gonzalez, Chairperson, called the meeting to order at 2:00 pm.

2. Approval of October 31, 2019, meeting minutes

Audit and Compliance Committee minutes were approved for the meeting held October 31, 2019.

3. Office of Compliance and Ethics (OCE)

a. Updates since October 31, 2019 Committee Meeting

Ms. Blank updated the Committee on the office’s activities since the October 31, 2019 meeting. She explained there has been turnover with the Compliance Consortium at FSU’s sister institutions and therefore no winter meeting was held. She further explained that meeting is important because standards will be set for the 5-year review of all compliance plans in the State University System. Ms. Blank explained that the Form 1 reporting project has been moved from the Office of Human Resources to the Office of Compliance and Ethics. Ms. Blank explained that the OCE is implementing, within the next six months, an online system for the Conflict of Interest Forms. She further explained that the OCE is hoping to use the online system for all outside activity forms in the future.

b. Cybersecurity Training Update – Jane Livingston and Bill Hunkapiller

Mr. Bill Hunkapiller discussed the audit of Cybersecurity and the steps being taken to improve curriculum. Mr. Hunkapiller further explained that 64% of the University has completed Cybersecurity training as of this meeting date. Mr. Hunkapiller explained that
Departments are asked to encourage employees’ completion of the training by May 15, 2020 or there may be suspensions to access of FSU resources. He further explained that the biggest challenge has been with OPS employees, students and faculty.

c. **Title IX Update – Tricia Buchholz**

Tricia Buchholz explained that she was named the permanent Title IX Director as of December 20, 2019 and the office is still currently in a state of transition. She further explained that the Office is expecting to hire two new investigators. Ms. Buchholz also explained that she met with the OIGS and Ms. Blank to discuss the audit of Title IX and the items that are still pending from a previous OIGS audit. Ms. Buchholz explained that the Title IX Office is working closely with Athletics for training required by the NCAA and that training is nearly complete. Ms. Buchholz further explained her Office is continuing to find opportunities for improvement and establishing stronger partnerships.

4. **Office of Inspector General Services**

a. **Request to Extend Audit Contract for the FSU Research Foundations, Inc.**

Mr. McCall requested the Committee to recommend to the BOT an extension of the audit contract for the FSU Research Foundation, Inc. for 5-years with James Moore and Company. Mr. McCall explained that the request meets the requirements of FSU Regulation 2.025. The motion to recommend to the BOT to extend the contract was approved.

b. **Request to Extend Audit Contract for the Florida Medical Practice Plan**

Mr. McCall requested the Committee to recommend to the BOT an extension of the audit contract for the FSU Research Foundation, Inc. for 5-years with James Moore and Company. Mr. McCall explained that the requests for the FMPP is not required to come before the Board for approval but its good practice to keep the Board informed of audit contracts. The motion to recommend to the BOT to extend the contract was approved.

c. **Request to Extend Audit Contract for the Florida State University School**

Mr. McCall requested the Committee to recommend to the BOT an extension of the audit contract for the FSU Research Foundation, Inc. for 3-years with Purvis and Gray and then extend it for an additional two 1-year periods. Mr. McCall explained that the requests for the FSUS is not required to come before the Board for approval but its good practice to keep the Board informed of audit contracts. The motion to recommend to the BOT to extend the contract was approved.
d. **Audit of Performance-Based Funding Metrics 2019-20**

Mr. McCall discussed the audit of Performance-Based Funding Metrics for fiscal year 2019-2020. Mr. McCall commended Heather Friend and Kitty Aggelis for conducting the audit. Mr. McCall will present the audit at the BOT meeting on February 12, 2020.

e. **Audit of Preeminence Research University Metrics for 2019-20**

Mr. McCall discussed the audit of Preeminence Research University Metrics for fiscal year 2019-2020. Mr. McCall explained that this is the first year for this audit and commended Heather Friend and Kitty Aggelis for conducting the audit. Mr. McCall will present the audit at the BOT meeting on February 12, 2020.

f. **BOG Data Integrity Certification Form (For Signature)**

Mr. McCall will request President Thrasher and Chairman Burr to sign the BOG Data Integrity Certification Form at the BOT meeting on February 12, 2020.

g. **Auditor General Audit of the Florida State University Financial Statements for the Year Ending June 30, 2019**

Mr. McCall discussed the Auditor General’s audit of the Florida State University Financial Statements for the year ending June 30, 2019. Mr. McCall explained the financial statements are prepared by the University Controller’s Office overseen by Kyle Clark. Mr. McCall introduced Judd Enfinger as the new Controller. Mr. Enfinger briefly explained the audit to the Committee.

h. **Auditor General Audit on the Northwest Regional Data Center – Tim Brown**

Mr. McCall discussed the Auditor General’s audit comments relating to inventory processes for information technology, as well as the security controls of the Northwest Regional Data Center. Mr. Brown discussed the public audit reports, the Auditor General’s findings and the NWRDC’s response to those findings. The issue of the Auditor General’s comments on the existence of a significant deficiency in NWRDC internal controls was also discussed. Mr. Brown provided assurances that the significant deficiency in internal control is being addressed with the intent of resolving the matter in the upcoming audit.

i. **Crowe Summary Report on the SUS and Separate Report on FSU**

Mr. McCall explained the Crowe Summary Report on the SUS review on internal control systems. Mr. Kyle Clark explained the separate report that Crowe issued for the University. Mr. Clark also explained that the University is awaiting guidance from the BOG as to further needed actions.
5. Listing of Audits Issued, In Progress, and Status

Mr. McCall provided a report of OIGS' audits issued, in progress, and the status.

6. Motion to Adjourn

Trustee Gonzalez adjourned the meeting at 3:14 pm.
Florida State University
Audit and Compliance Committee Zoom Meeting
Held as Part of the Board of Trustees Meeting
April 17, 2020
Committee Report from 12:12 PM to 12:18 PM

Members Participating: Max Alvarez, Kathryn Ballard, Billy Buzzett, Ed Burr, Jim Henderson, Brent Sembier, June Duda, Bob Sasser, John Thiel, Jorge Gonzalez, Craig Mateer, Jonathan Leven and Eric Chicken

1. Chairman Gonzalez reported the Office of Inspector General Services and Office of Compliance and Ethics continue to work remotely and no action items need approval. In addition, the Auditor General issued their Federal Awards audit on March 27, 2020, and there were no compliance issues that need to be addressed by the University.

2. Office of Inspector General Services (OIGS)

Dr. McCall provided an Office of Inspector General Services update. Since the last meeting, the OIGS has issued three Information Technology reports, two are public and one report is not public. In addition, reports have been issued on the College of Law, Graduate Fee Waivers, and a Six-month Follow-up. Dr. McCall, working with Kyle Clark, Vice President of Finance and Administration, has provided assurance that calculations relating to residence housing and meal plan refunds due to students was calculated correctly.

3. Office of Compliance and Ethics (OCE)

Ms. Blank provided an Office of Compliance and Ethics update. The OCE is continuing to work on a distance learning and professional licensure and certification project. Also, Form 1 (Financial Disclosure) will be sent out for completion to be returned to the Commission on Ethics by July 1, 2020. Lastly, a House Select Committee continues to review conflict of interest issues specifically related to foreign influence. The OCE will continue to follow the actions and legislation that may result from that Committee's work.
Florida State University
Audit and Compliance Committee Charter

1. Purpose

The Audit and Compliance Committee (the Committee) is a standing committee of the Florida State University Board of Trustees (BOT). The purpose of the Committee is to provide assurances to the BOT regarding University risk management, control, and governance processes thereby assisting the BOT in fulfilling its statutory, fiduciary, and oversight responsibilities. Additionally, the Committee shall provide oversight and direction to the Office of Inspector General Services (OIGS) and the Office of Compliance and Ethics (OCE).

2. Authority

The Board authorizes the Committee to:

2.1 Perform activities within the scope of this charter.
2.2 Participate, through the Chair, in the process of appointment, evaluation, and/or dismissal of the Chief Audit Officer (CAO) or the Chief Compliance and Ethics Officer (CCEO).
2.3 Have unrestricted access to management, faculty, and employees of the university and its component units, all of whom are directed to cooperate with the Committee’s request.
2.4 Meet as needed with those persons responsible for University compliance with state and federal laws and applicable rules, regulations, and policies.
2.5 Have access to all books, records, and facilities thereof of the University.
2.6 Study or investigate any matter related to audit, compliance, or related concerns such as potential fraud or conflicts of interest that the Committee deems appropriate.
2.7 Retain independent counsel, or others to advise the Committee or assist in the conduct of an investigation upon approval of the BOT.
2.8 Meet with the University’s General Counsel to review any legal matters that may have a significant impact on the University’s overall finances, operations, and compliance with regulatory agencies.
2.9 Provide oversight and direction to the OIGS and the OCE to include reviewing and recommending BOT approval of the annual work plan.
2.10 Provide oversight of audits performed of the University and its component units by state and federal auditors, to include the Auditor General, as well as external auditors.
2.11 Review this Charter at least once every three (3) years for consistency with applicable law, BOG, and University regulations and policies, professional standards, and best practices.
2.12 Nothing in this Charter shall be construed to limit the authority of the BOT or the Committee.

3. Organization

Composition

3.1 The Committee shall be appointed and comprised of members of the Florida State University Board of Trustees as provided for in the BOT Operating Procedures.

3.2 The members will be free from any financial, family, or other material personal relationships, including relationships with members of University management, University Office of Inspector General Services and Office of Compliance and Ethics staff, and other professional consultants that would interfere with the exercise of his or her independence to perform assigned duties and responsibilities.

3.3 The majority of the Committee members will be financially literate and collectively having experience in accounting, finance, business, internal controls, risk management, and ethics.

3.4 If possible, the Committee will include at least one member who is considered an accounting or financial expert having an understanding of generally accepted accounting principles and financial statements, internal controls, and the role and responsibilities of internal and external auditors.

Meetings

3.5 A simple majority of the members of the Committee will constitute a quorum for the transaction of business.

3.6 The Committee will meet during regularly scheduled BOT meeting days, or at a minimum of three times per year. Additional meetings may occur as circumstances dictate.

3.7 The Committee Chair will approve the meeting agenda prior to each meeting subject to amendment at the Committee meeting.

3.8 The Committee shall maintain written minutes of meetings.

3.9 The Committee will look to the CAO and the CCEO for staffing and other administrative needs relating to Committee operation.

4. Internal Controls

The Committee will:

4.1 Evaluate the overall effectiveness of the University’s system of internal control to include the control environment, risk assessment, control activities, information and communications systems, and monitoring thereof.
4.2. Provide oversight of the University’s internal control structure and the processes in place to ensure the effectiveness and reliability of business, financial and information systems controls.

4.3. Understand the internal control system implemented by management for the University and each component unit for the approval of transactions and the recording and processing of financial data.

5. Risk Management

The Committee will:

5.1. Provide oversight of the University’s enterprise risk management process by reviewing procedures in place to assess and minimize significant risk.

5.2. Review and consider the effectiveness of the University’s process for identifying significant financial, operational, reputational, strategic, compliance and regulatory risk or exposure and management’s plans and efforts to control and monitor such risks.

5.3. Obtain management assurances that internal controls have been established to mitigate major identified risks.

5.4. Evaluate the University’s monitoring of insurance coverage and the process used to identify and manage any uninsured risks.

6. Compliance with Laws, Rules, Regulations, Contracts, and Agreements

The Committee will:

6.1. Review the effectiveness of management’s system for monitoring compliance with laws, rules, regulations, contracts and agreements and for follow-up on any reported non-compliance, fraud, abuse, or ethics violations.

6.2. Obtain regular updates from management and legal counsel regarding compliance matters that may have a material impact on the University’s operations, financial statements, programs, or ethics policies.

6.3. Review and discuss any significant results of compliance audits; any significant matters of litigation or contingencies that may materially affect the University’s financial statements; and any legal, tax or regulatory matters that may have a material impact on University operations, financial statements, policies and programs.

6.4. Ensure that significant compliance findings and recommendations made by the university compliance officer or audit officer are received, discussed, and appropriately acted upon.

6.5. Review the effectiveness of the system for monitoring compliance with laws and regulations and follow-up (including disciplinary action) of significant wrongful acts or non-compliance.
6.6 Ascertain whether the University has an effective process for determining risks and exposure from asserted and unasserted litigation and other claims of noncompliance with laws and regulations.
6.7 Obtain reports concerning financial fraud resulting in losses in excess of $10,000 or of any amount involving a member of senior management.
6.8 Obtain regular updates from the CCEO and CAO regarding compliance matters that may have a material impact on the organization’s financial statements, compliance program, conflict of interest, or ethics policies.
6.9 Review and approve procedures for the receipt, retention, and treatment of complaints regarding financial, compliance, ethics, and conflict of interest matters.
6.10 Review the University’s monitoring of compliance with University policies and standards of ethical conduct and conflict of interest policies.
6.11 Review findings of any examinations by state and federal regulatory agencies.
6.12 Review the University’s process for monitoring contracts and agreements significant to University operations.

7. Ethics and Business Conduct

The Committee will:

7.1 Review University processes to ensure actual or potential conflicts of interest are clearly defined.
7.2 Review the process followed to assure the University’s code of conduct and is communicated to all employees on an annual basis.
7.3 Review University processes to require the reporting and approval of outside businesses involvement, employment, and consulting services.
7.4 Review University policies relating to ethics and business conduct, financial disclosure, and environmental health and safety.

8. Financial Reporting

Financial Statements and Reports

Management is responsible for the preparation, presentation, and integrity of the University’s financial statements and for the appropriateness of the accounting principles and reporting policies used by the University. The following shall be the principle duties and responsibilities of the Committee regarding financial statements:

8.1 Review the annual audited financial statements and ensure that significant findings and recommendations made by the auditors and management’s response are received, discussed, and appropriately acted upon.
8.2 Make inquiries of management and auditors concerning the adequacy and effectiveness of the University’s systems of financial reporting and internal control and compliance.
8.3 Discuss with management, the State Auditor General, and/or other external auditors the appropriateness of accounting principles used by the University and component units.
8.4 Review the audit report on Federal Awards as required by OMB Circular A-133 and State Awards required by Section 215.97, Florida Statutes.
8.5 Review the annual audit reports of component units, including management responses and corrective action plans to address the resulting recommendations.
8.6 Review significant accounting and reporting issues and recent professional regulatory pronouncements, and the impact on the financial statements of the University.
8.7 Review compliance with federal and state guidelines for financial reporting.

9. External Auditors

9.1 Monitor the work of the State Auditor General and other external auditors engaged to perform work within the University.
9.2 Review and assist in resolution of any disagreements between management and the external auditors regarding financial reporting.
9.3 Inquire of management as to whether external audits of DSO’s are being acquired in accordance with BOT Regulation 2.025.
9.4 Inquire of management as to whether external audits of auxiliaries are being acquired within the spirit and intent of BOT Regulation 2.025 that is applicable to DSO’s.
9.5 Provide oversight of component units (DSO’s and auxiliaries) that select external auditors to perform audit work.

10. Office of Inspector General Services

10.1 Review and approve the annual work plan, ensuring it addresses key areas of risk.
10.2 Approve and periodically review the charter, staffing, and activities of the OIGS.
10.3 Review a summary of significant findings and recommendations of completed work including management’s response and time frame for corrective actions and the appropriateness of proposed actions.
10.4 Obtain periodic progress reports on the status of execution of work plans.
10.5 Review significant changes or deviations from approved work plans.
10.6 Determine the degree of implementation of past recommendations and the sufficiency of actions taken in addressing those recommendations.
10.7 Ensure there are no unjustified restrictions or limitations on the scope of work.
10.8 Through the Chair and with Committee input, provide the President an annual assessment of the performance of the CAO.
10.9 Discuss with the CAO any difficulties encountered in the course of work, including restrictions on the scope of work or access to required information, and any lack of cooperation.
10.10 Review the results of periodic quality assurance reviews performed by external organizations that assess whether work of the OIGS meets professional standards.
10.11 Identify areas warranting policy changes, if any, and make recommendations to the BOT.
10.12 Meet with the CAO to discuss any issues of concern.
10.13 Review controls and guidelines for receiving and investigating reported fraud waste, or abuse.
10.14 Review guidelines for the CAO receiving and investigating complaints relating to the Whistle-blower’s Act pursuant to Chapter 112, Florida Statutes.
10.15 Require the CAO to annually report in writing on the activities of the OIGS.

11. Office of Compliance and Ethics

11.1 Provide governance oversight of the compliance program.
11.2 Review at least every three (3) years and approve the OCE charter and any subsequent revisions.
11.3 Review and approve the OCE Program Plan and any subsequent changes.
11.4 Review a summary of significant findings and recommendations of completed work including management’s response and time frame for corrective actions and the appropriateness of proposed actions.
11.5 Review the independence, qualifications, activities, resources, and structure of the compliance and ethics function and ensure no unjustified restrictions or limitations are made.
11.6 Determine the degree of implementation of past recommendations and the sufficiency of actions taken in addressing those recommendations.
11.7 Through the Chair, and with input from the Committee provide the President an annual assessment of the performance of the CCEO.
11.8 Review the CCEO’s annual report on the effectiveness of the compliance program.
11.9 Review the effectiveness of the University’s efforts to comply with BOG regulations and any applicable federal, state, and local laws, rules, and regulations.
11.10 Review the effectiveness of the compliance and ethics program in preventing and detecting noncompliance, unethical behavior, and criminal misconduct and ensure that it has appropriate standing and visibility across the University.
11.11 Identify areas warranting policy changes, if any, and make recommendations to the BOT.
11.12 Obtain regular updates from the CCEO regarding compliance and ethics matters that may have a material impact on the University’s financial statements or compliance policies.
11.13 Review controls and guidelines for receiving and investigating reported compliance, or ethics complaints.
11.14 Review guidelines relating to CCEO responsibilities under applicable sections of the Federal Sentencing Guidelines.
11.15 Require the CCEO to annually report in writing on the activities of the OCE.
Approved June 8, 2018
And Reaffirmed 6-6-19, 6-4-2020

11.16 Review at least once every five years, an external evaluation of the OCE program’s
design and effectiveness and approve any recommendations for improvement.

This Audit and Compliance Committee Charter is hereby adopted on June 8, 2018 and Reaffirmed 6-6-2019, 6-4-2020

________________________________________________________  __________________________
Board of Trustee Chair  Date

________________________________________________________  __________________________
President  Date

________________________________________________________  __________________________
Audit and Compliance Committee Chair  Date
Florida State University  
Office of Inspector General Services  
Audit Charter

1. Introduction
The Office of Inspector General Services (OIGS) provides professional internal audit and investigative services at Florida State University.

1.1 Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve University operations. It helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

1.2 Investigations are performed to address alleged fraud, waste, abuse or other wrongdoing, which could result in the loss or misuse of University resources. Such wrongdoing may come to the attention of the Office during an audit or investigation or through reporting by University faculty, staff, students, or the general public.

2. Authority for the Office
The Florida State University President and Board of Trustees (BOT) initially approved a charter for the Office of Audit Services in September 2003. Subsequently, in November 2012, the President approved changing the name from the Office of Audit Services to the Office of Inspector General Services (OIGS). In June 2017, the Board of Trustees approved the establishment of an Audit and Compliance Committee that provides oversight of the OIGS.

3. Vision
The OIGS vision is to be an exemplary professional audit and investigative organization that adds value, promotes accountability, fosters transparency and understanding, and to be viewed by the University as essential to the proper functioning of University controls and operations.

4. Mission
The OIGS mission is to provide an independent, objective, and comprehensive program of auditing and investigations; to advance accountability through the provision of assurance and consulting services and investigations; and to actively work with University Boards and Committees, management, faculty, and staff in identifying risks, evaluating controls, and making recommendations that promote economical, efficient, effective, equitable, and ethical delivery of services.
5. **Organization**

5.1 The OIGS, headed by the Chief Audit Officer (CAO), provides a central point in the University for coordinating and carrying out activities that promote accountability, integrity, and objectivity.

5.2 The Chair of the Audit and Compliance Committee of the BOT works in concert with the University President prior to any action to hire or terminate the CAO.

5.3 The Chief Audit Officer will report directly and administratively to the University President, functionally to the Audit and Compliance Committee Chair, and he/she shall have unrestricted access to the Board of Trustees.

5.4 The Board of Trustees, or as delegated to the Audit and Compliance Committee by the Board Chair, will:

   a. Approve the charter of the OIGS;
   b. Review the charter at least every three (3) years for consistency with applicable law, Board of Governors (BOG), and University regulations and policies, professional standards, and best practices;
   c. Approve the risk-based annual OIGS workplan;
   d. Receive communications from the CAO on performance relative to the audit plan and other significant matters coming to the attention of the CAO during the year;
   e. Provide to the President, through the Chair, an annual assessment of the performance of the Chief Audit Officer; and
   f. Make appropriate inquiries of management and the CAO to determine the existence of scope or resource limitations.

5.5 Any allegations related to wrongdoing by the CAO shall be reported to the Board of Governors, University President, Chair of the BOT, and Chair of the BOT Audit and Compliance Committee for their review and disposition.

6. **Code of Ethics**

6.1 All OIGS staff shall abide by the *Florida Code of Ethics for Public Officers and Employees* as provided for in Florida Law, any additional code of ethics or conflict of interest policy of the University, and the Code of Ethics issued by The Institute of Internal Auditors and the Association of Inspectors General.

7. **Independence and Objectivity**

7.1 To permit independence and objectivity in mental attitude and appearance, the OIGS will remain free from interference from any element in the University to include matters of topic selection, scope, procedures, frequency, timing, report content, and report issuance. The OIGS will have no direct authority or responsibility over any of the activities it reviews. The OIGS will
not implement internal controls, develop and write policies or procedure, design or install systems, or engage in any activity that may impair independence or objectivity.

7.2 The OIGS may review management initiated initiatives and provide advice and counsel to University departments. Management assistance activities that the OIGS may perform shall meet professional auditing standards and shall result in management accepting responsibility for actions taken in response to accepted recommendations.

7.3 OIGS staff will exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activities or processes being examined.

7.4 OIGS staff will make a balanced assessment of all relevant circumstances and not be unduly influenced by their own interests, or those of others, in forming conclusions on engagement results.

8. Authority and Access to Records

8.1 The OIGS provides audit and investigative services to all entities of Florida State University, including schools, colleges, departments, auxiliary enterprises, and Direct Support Organizations (DSOs). Accordingly, the OIGS is authorized to:

a. Have unlimited and unrestricted access to all data, books, records, files, property, information systems, and personnel of Florida State University and its DSOs and component units as deemed necessary to carry out duties and responsibilities;

b. Have “right-to-access” language in all University contracts that allow OIGS access to contractor records supporting amounts due or received, amounts paid or owed, or documentation supporting work products prepared for any University entity;

c. Allocate resources, establish schedules, select subjects, determine scopes of work, and apply techniques required to accomplish objectives; and

d. Obtain essential assistance and cooperation of personnel in areas of the University where audits and investigations are performed.

9. Standards and Professionalism

9.1 Audit and compliance activities will be governed by adherence to The Institute of Internal Auditor’s Professional Practices Framework, which is composed of the Core Principles, the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing. Other professional auditing standards may be followed, as applicable to the audit engagement.

9.2 Investigative services will be governed by adherence to Principles and Standards for Offices of Inspector General issued by the Association of Inspectors General and Standards for Complaint Handling and Investigations for the State University System of Florida.
9.3 The OIGS will adhere to and be guided by applicable Florida law, as well as State University System Board of Governors, Florida State University Board of Trustees, and University regulations, policies, and procedures.

10. Scope of Work
10.1 The OIGS' scope of internal audit and investigative work will include all University colleges, schools, departments, auxiliaries, DSOs and component units. The scope of work will help to ensure that significant:
   a. Risks are appropriately identified and managed;
   b. Assets and resources are properly controlled and safeguarded;
   c. Financial and operational information is accurate and reliable;
   d. State and federal laws, rules, and regulations are complied with; and
   e. Programs and operations are efficient and effective.
10.2 The scope of internal auditing work encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the University's risk management, control, and governance processes.
10.3 All such work shall be performed with the overarching understanding that establishment of adequate risk management, controls, and governance processes and monitoring thereof are a management responsibility.

11. Duties and Responsibilities
11.1 Responsibilities of the OIGS and the CAO:
   a. Develop an internal audit workplan based on a prioritization of the audit universe using a risk-based methodology, including input from the BOT, University President, and senior management.
   b. The CAO will review and adjust the plan as necessary in response to changes in the University's activities, risks, operations, programs, systems, and controls. Any significant deviation from the approved audit workplan will be discussed with the BOT Audit Committee and communicated, as appropriate, to the President and BOT.
   c. Provide the approved workplan to appropriate University management and the BOG's Office of Inspector General.
   d. Include in the annual workplan a schedule of planned audit and investigative hours to be applied for the year. The workplan will be revised as needed to meet the requests and needs of the President, Board of Trustees, and the University.
   e. In preparing the annual work plan consider and identify long-range audit topics as well as audit and investigative resource needs of the OIGS. The CAO will communicate the impact of resource limitations and significant interim changes to the BOT Audit and Compliance Committee.
f. Perform assurance and consulting engagements and investigations in accordance with the annual workplan taking into consideration any special tasks or projects requested by University management and the BOT Audit and Compliance Committee.

g. For each audit prepare and distribute a final draft report to the person(s) responsible for supervision of the program function or operational unit who shall respond to the identified issues and recommendations within 20 working days. Such response shall include management’s overall comments about the audit and proposed actions to address issues and recommendations, the person(s) directly responsible for addressing the identified issues, and a target date for estimated completion.

h. For each audit prepare and timely issue a final written audit report to the BOT, President, BOG, other Boards and Committees, the Auditor General, and senior management most responsible for the program, activity, or function audited. The final report will include management’s overall response and proposed actions to address issues identified and related recommendations. As needed and appropriate in the circumstances, any CAO rebuttal or clarifications to management’s response shall be included in the final written audit report or otherwise made available.

i. Maintain confidentiality of all audit working papers and notes related to an audit, and all information received, produced, or derived from an investigation, until such time as a final audit or investigative report is issued in accordance with applicable law.

j. Review management’s follow-up activities intended to address observations or recommendations of external audit or regulatory agencies to include any reports issued by the Auditor General, the Office of Program Policy and Government Accountability, a federal audit organization or its subcontractors, DSO external auditors, or others. All significant findings will remain as open issues until cleared.

k. Conduct follow-up activities for OIGS issued audits at least every six months. As warranted by the specific issues, follow-up activities may occur at any time to protect University financial and program operations.

l. Report the results of any investigation performed in accordance with OIGS policies and procedures.

m. Periodically report in writing and verbally upon request to the BOT, President, and senior management on OIGS activities as well as its performance relative to: its workplan; significant risk exposures and control issues, including fraud/abuse, risk, and governance issues; and other matters as needed or requested.

n. Report at every Board of Trustees Audit and Compliance Committee meeting or at other times, depending on whether there are significance issues of which the Committee should be made aware for their information, discussion, direction, and/or disposition.

o. Hire and retain professional staff with sufficient knowledge, skills, and experience, and professional certifications to fulfill the responsibilities of the OIGS, and ensure
appropriate and required training and education is provided to staff in accordance with applicable professional education standards.

p. Maintain a quality assurance and improvement program that meets the requirements of standards followed. The CAO will communicate to senior management, the BOT, and BOG on the quality assurance and improvement program to include the results of any external quality control review conducted in accordance with the time requirements of the applicable audit and investigative standards followed.

q. Investigate allegations of suspected abuse/fraudulent activities within the University and provide to the BOG, Auditor General, University management and the BOT Audit and Compliance Committee investigative reports issued.

r. Address allegations of waste, fraud, or financial mismanagement. The CAO will use professional judgment in assessing materiality such that it would be appropriate to inform the BOG Office of Inspector General and Director of Compliance of such allegations. Significant and credible allegations shall be addressed to meet the requirements of BOG Regulation 4.001.

s. Investigate complaints received under the State Whistle-blowers Act pursuant to sections 112.3187-112.31895, Florida Statutes, as applicable.

t. Report allegations received by the OIGS that the CAO has reason to believe involve potential violations of criminal law to the University Police, other law enforcement agencies, and other responsible state or federal agencies, as appropriate.

u. Report information received of known or suspected child abuse, abandonment, or neglect committed on the property of the University or during an event or function sponsored by the University to the Florida Department of Children and Families.

v. Assist University Police and other law enforcement organizations with criminal financial and other investigations as requested.

w. Maintain a reporting system that includes mechanisms available for anonymity or confidentiality, whereby University employees and agents may report or seek guidance regarding significant abuse, fraud, or criminal conduct, without fear of retaliation. In cases where a component of the reporting system is managed by another operational unit, the CAO shall have access to reported information.

x. Work cooperatively with the University Compliance and Ethics Officer in the determination of issues that can be addressed most appropriately and efficiently jointly, or by one Office or the other.

y. Provide training to the University community on internal control, risks management, fraud, abuse, administrative investigations, and other matters for which the OIGS has expertise.

z. Maintain a proper balance of audits, investigations, and other accountability activities, with a view toward avoiding any duplication of effort with external auditors.
aa. Coordinate and cooperate with external auditors and regulators, and consider the scope of their work for the purpose of providing optimal audit coverage to the University at reasonable costs.

bb. Review all DSO financial statements and the related external audit reports issued for completeness and compliance with applicable Generally Accepted Accounting Principles, Generally Accepted Government Auditing Standards, and applicable laws, rules, and regulations.

c. Assist and provide technical advice and support to the BOT Audit and Compliance Committee in its selection of any external auditors/consultants to perform work within the University.

dd. The OIGS will have primary responsibility for implementing, coordinating, and managing contracts involving external financial, performance, or compliance audits. The OIGS will assist and provide technical advice and support to the BOT Audit and Compliance Committee in its oversight of DSOs that select external auditors/consultants to perform work for them.

e. Distribute to the Board of Governors, Board of Trustees, University President, and senior management an Annual Report that describes the OIGS accomplishments and significant audits and investigations conducted during the preceding year. The report shall be issued by September 30 following the end of each fiscal year.

__________________________  _______________________
Chief Audit Officer  Date

__________________________  _______________________
President  Date

__________________________  _______________________
Audit and Compliance Committee Chair  Date

History:  9-2013; revised: 8-18-2010; 11-19-2012; 3-4-2016; 6-7-2018; 6-6-2019.
Note: Charter not changed but reaffirmed: 2-21-17, 6-3-2020
## Status Report for 2019-20

<table>
<thead>
<tr>
<th>Issued Reports</th>
<th>Planning</th>
<th>Field Work</th>
<th>Writing</th>
<th>In Review</th>
<th>Out for Response</th>
<th>Issued</th>
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<tr>
<td><strong>CC 20-01</strong> FSUS Student Astronaut</td>
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<td>Challenge Accounting Issues and Incorporation</td>
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<td><strong>CC 20-02</strong> College of Law Hotel Rate Justification Form</td>
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<td><strong>CC 20-03</strong> Enhanced Guidelines for Recognized Student Organizations (RSOs) Related to Association / Agreements with Non-Profit Organizations, Financial Access and Faculty Advisors</td>
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<td><strong>AR 20-01</strong> FSU OIGS Six Month Follow Up Report 1.1.19-6.30.19</td>
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<td><strong>AR 20-02</strong> Jaggaer (SpearMart) Requisition Manager Electronic Procurement System</td>
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<td><strong>AR 20-03</strong> Office of the University Registrar Internal Controls over the Driver and Vehicle Information Database (DAVID)</td>
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<td><strong>AR 20-04</strong> Performance-Based Funding Metrics Data Integrity Certification</td>
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<td><strong>AR 20-06</strong> Core Network Device Management</td>
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<td><strong>AR 20-07</strong> NEST and PCI DSS Network Device Configuration Management</td>
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<td><strong>AR 20-09</strong> FSU OIGS Six Month Follow Up Report 7.1.19-12.31.19</td>
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### Status Report for 2019-20

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<th>Reports in Progress</th>
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<th>Field Work</th>
<th>Writing</th>
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<td>FAMU/FSU College of Engineering</td>
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***The Earth, Ocean, and Atmospheric Science Building close-out audit had been postponed at the request of management as they complete close-out activities.***