Audit and Compliance Committee Meeting

September 1, 2022
1:30PM

Florida State University
Westcott Building
Room 201
Tallahassee, Florida

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Trustee Members Present: Maximo Alvarez and Jim Henderson attended via Zoom.

1. **Call to Order and Welcome**

   Trustee Alvarez called the meeting to order at 1:31PM.

2. **Approval of Minutes for the June 9, 2022, Committee Meeting**

   Audit and Compliance Committee minutes were approved for the meeting held June 9, 2022.

3. **Office of Compliance and Ethics**

   a. **Updates Since June 9, 2022, Board of Trustees Meeting**

      i. **CAMS (Conflict Administration and Management System) Project**

      Ms. Blank explained as of August 31, 2022, FSU has a total of 5,971 non-research certifications in the CAMS system. Ms. Blank further explained 4,528 (76%) of those conflict of interest disclosure statements have been updated. That number is up 5% from the update provided in June 2022. She explained the totals includes not only existing employees who completed their profiles since the January 2022 launch date but also includes new hires that completed their disclosures as part of the new employee on-boarding process. Ms. Blank explained that the OCE has also made some clean-up efforts to roll off those that have left the University, so those numbers are reflective of a better total population than what may have been reflected earlier in the summer. Ms. Blank also explained the OCE is working with the vendor to explore some automation of the roll off process and expects it to be available in an updated version of the software. Ms. Blank explained the pre-approval side, which is where people ask for approval to engage in outside activity. She explained there were 59 requests to engage in outside employment or activities. Of those 59 requests, 32
requests were approved, 25 are under review and only 2 were declined. Ms. Blank explained that the COI system also houses FSU’s research certifications and since June 2022, FSU has seen 1,219 new research certifications. She further explained those are performed by anyone who is working on a research project and the certification is attached to the project. Ms. Blank explained that those are not all new humans and someone may have more than one research certification because they might be working on more than one project. Ms. Blank explained that those numbers are continuing to rise and that shows an increase in FSU’s research activity. Ms. Blank explained one of the benefits of the system is that the system not only shows faculty and staff, but also shows students that are working on research projects.

1. Faculty Go-Live

Ms. Blank explained Faculty “Go-Live” will begin in late September, early October 2022. She explained that is typically when annual faculty disclosures happen under the old paper system, so they are keeping that calendar consistent for faculty members. Ms. Blank explained the OCE is currently working on guides, demos, and document updates to reflect changes to the collective bargaining agreement regarding disclosure of outside activities, as well as working with the system vendor to tailor that faculty workspace to ensure the system is asking questions that are consistent with the collective bargaining agreement and FSU’s policies.

ii. 5-Year Review

1. Florida Polytechnic University

Ms. Blank explained the OCE has closed the Florida Polytechnic University peer review. Ms. Blank further explained, as the lead validator, the 5-year review was done in July 2022. She explained New College’s Chief Compliance and Ethics Officer served as the secondary reviewer. Ms. Blank explained it was a great experience professionally to be able to serve in that capacity.

2. Florida State University

Ms. Blank explained that FSU’s 5-year review is underway and the University of South Florida’s Chief Compliance Officer is the leading validator with the Chief Compliance Officer from UWS as the secondary validator. Ms. Blank explained the first portion of the review is the self-assessment and she is in the process of getting it completed. She further explained the schedule has it being submitted by November or December 2022. Ms. Blank explained that one of the requirements of the 5-year review is an interview process with stakeholders across the institution, as well as leadership and governance
Ms. Blank explained the OCE is working with Departments and the Office of Research Compliance to make the process as streamlined as possible. She further explained she met with the College of Engineering last week to talk about all of the elements of the screening process, as well as all the ways to reduce risk. Ms. Blank also explained she regularly reports the issues to the Committee.

2. International Travel (July 31, 2022, Report)

Ms. Blank explained that this is the first issued report under the statute since the international travel program began in January 2022. Ms. Blank explained there was nothing to report. Ms. Blank explained the report is annual and will be issued again in July 2023.

3. Foreign Gift Reporting (July 31, 2022, Report)

Ms. Blank explained the report was completed July 31, 2022 and submitted to the Board of Governance regarding contracts and agreements of $50,000 or more. She explained the next annual report will be completed by July 31, 2023.

iv. Form 1 Filing Project

Ms. Blank was pleased to report all 208 current employees and Board members required to file with the Commission on Ethics completed their filings. She also explained approximately 25 additional individuals who had either left FSU or left their reporting positions also completed their filings. Ms. Blank explained there was 100% compliance for this fiscal year with no late filing penalties.

v. Review of Annual Report and Work Plan

Ms. Blank explained the annual work plan and the annual report is based on the seven elements of an effective compliance program. She further explained she reviewed the both the work plan and the annual report with the President and provided copies to the Chairman of the Board of Trustees. Ms. Blank highlighted the continuous
expansion and enhancement of the University’s Clery Act Compliance Program in conjunction with FSUPD, University-wide ethics education opportunities, and improvements increasing efficiency in internal office procedures for investigations and inquiries. Ms. Blank also explained she would have a full presentation in September for the full Board meeting regarding the annual work plan and annual report.

4. **Office of Inspector General Services**

   a. **Approval of FY 2022-23 Audit Plan – Action Item**

      Mr. Baldwin presented to the Committee the OIGS audits on the annual plan for the past 3 years. Mr. Baldwin explained the audits in the past 3 years will be the factors used to develop the upcoming audit plan. Mr. Baldwin further explained, on average, the OIGS has completed 11 projects each fiscal year with a rate of about 46%. Mr. Baldwin explained projects going into the fiscal year 2022-2023. Mr. Baldwin explained the OIGS will conduct 2 information technology audits, and his goal is to increase that number annually. Mr. Baldwin further explained the OIGS would like to expand its scope in the information technology department. Mr. Baldwin explained there are a number of areas listed in the audit plan where OIGS will perform audits for the first time, such as the Panama City Campus. The motion to approve the 2022-2023 Audit Plan was approved.

   b. **2022 Quality Assurance Review**

      Mr. Baldwin explained the Quality Assurance Review and that the review is mandatory activity for every internal shop which must be performed by an independent team or independent validator once every 5 years. Mr. Baldwin further explained the review enables an evaluation of the internal audit activity’s conformance with IIA Standard 1312. He explained the review assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement. Mr. Baldwin explained the outcome will be in the form of a rating. He explained the QAR team will provide a rating of Generally Conforms, Partially Conforms, or Does Not Conform. He explained the OIGS’ goal is to receive a rating of Generally Conforms. Mr. Baldwin explained the QAR team will consist of three Chief Audit Executives, Sandy Jansen from the University of Texas, Brian Daniels from the University of Tennessee, and Virginia Kalil from the University of South Florida. Mr. Baldwin explained the OIGS has a very experienced team to conduct the review. The review will be conducted between September 6-8, 2022.

5. **Open Forum for Trustees**

   Trustee Alvarez opened the floor for any items that needed to be discussed. There were no items presented for discussion.
6. **Scheduling of Next Meeting**

Trustee Alvarez explained the A&C Committee would continue following Chairman Collins direction with scheduling Committee meetings three weeks prior to the full Board of Trustees Meetings. Trustee Alvarez explained the next Board of Trustees meetings will be held September 23, 2022, and November 18, 2022. Trustee Alvarez explained the next Committee meeting is expected to be held around October 31, 2022.

7. **Adjournment**

Trustee Alvarez adjourned the meeting at 1:49PM.