



# FLORIDA STATE UNIVERSITY

## BOARD OF TRUSTEES

### *Audit and Compliance Committee*

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## MEETING MINUTES (DRAFT)

February 27, 2025

2:00 PM

Westcott - 211A

**Attended in Person:** Chair Peter Jones, Board of Trustees (BOT) Chairman Peter Collins, Trustee Jim Henderson

**Attended via Zoom** (committee): N/A

**Absent** (committee): N/A

**Staff** (committee): Undra Baldwin, Chief Audit Officer; Robert Large, Compliance and Ethics Officer

**Others in attendance:** Kyle Clark, Senior Vice President for Finance and Administration (F&A); Rick Burnette, Senior Vice Provost; Heather Friend, Office of Audit and Advisory Services, Director of Audits; Joanna Palmer, Office of Audit and Advisory Services, Administrative Assistant

### **I. Call to Order and Welcome**

*Trustee Peter Jones, Chair*

Chair Jones called the meeting to order at 2:00 PM and recognized that Chairman Collins and Trustee Henderson were present and that there was a quorum.

### **II. Approval of Minutes**

*November 20, 2024, Meeting Minutes*

***Chair Jones moved to approve the committee meeting minutes from November 20, 2024. Chairman Collins seconded the motion, and the minutes were approved unanimously by all present at the meeting.***

### III. Office of Compliance and Ethics Informational Items and Updates

*Mr. Robert Large, Chief Compliance & Ethics Officer*

#### a. Informational Items

Mr. Large gave a brief overview of FSU's Compliance and Ethics Program Plan, in addition to the following informational updates.

➤ **Foreign Gifts and Contracts January Report – update**

Mr. Large discussed Foreign Gifts and Contracts biannual reporting as required by state and federal statutes. Mr. Large shared that there were nine total contracts reported for the applicable disclosure period, with one contract involving a Chinese entity for purchasing materials for the Mag Lab.

➤ **Financial Disclosures (Form 1)**

Mr. Large explained that all BOT members and certain University employees must file an annual Statement of Financial Interest (Form 1) with the Commission on Ethics and that the Form 1 filings must be submitted electronically through the Electronic Financial Disclosure Management System (EFDMS) no later than July 1, 2025. OCE will offer assistance as needed.

➤ **Conflict of Interest/Commitment Disclosure Process – update**

Mr. Large provided an update on FSU's Conflicts Administration and Management System (CAMS), which is used internally by employees to disclose outside activities and financial interests for compliance purposes. A brief discussion ensued, providing historical reference for the implementation and use of the CAMS system. Mr. Large further explained that there has been a system upgrade for more functionality and user clarity and to provide greater ability for staff to troubleshoot issues.

➤ **General Operational - update**

Mr. Large addressed other informational updates, stating that he has advertised for an administrative support position and gave an update on the Student Ombudsman position. Mr. Large also provided an update on the Compliance and Ethics Program external review, which is required by BOG Regulation 4.003. Chair Jones and Chairman Collins initiated a conversation about the external review process, stating the potential benefits of hiring an external reviewer and the potential for using a third party other than peer institutions within the State University System. Further, Chair Jones suggested we contact other universities who have hired external reviewers to find out their experiences. Mr. Large agreed to follow up with Chair Jones with additional information. Mr. Large explained that the external review would include a review of documents and potentially interviews. Once completed, the external review results will be shared with Leadership and the BOT.

**IV. Office of Audit and Advisory Services  
Informational Items and Updates**

*Mr. Undra Baldwin, Chief Audit Officer*

**a. Action Items**

➤ **Performance-Based Funding Metrics Audit Results**

➤ **Preeminent Research University Funding Metrics Audit Results**

Mr. Baldwin introduced Mrs. Heather Friend, who conducted the presentation on the Performance-Based Funding Metrics (PBF) audit and the Preeminent Research University Funding Metrics (PRF) audit. Overall, it appears that adequate controls and processes have been established to ensure the completeness, accuracy, and timeliness of data submissions to the BOG and external entities that support the PBF and PRF results.

Mr. Baldwin requested approval of the PBF and PRF results and requested that these items be included as consent approval on the full Board of Trustees' agenda.

- Chair Jones asked if there were any questions before the vote. There were no questions.

*Chairman Collins moved to approve the Performance-Based Funding Metrics Audit Results and the Preeminent Research University Funding Metrics Audit Results. Trustee Henderson seconded the motion, and the motion was approved unanimously by all present at the meeting.*

➤ **Revised OAAS Charter**

➤ **Revised Audit & Compliance Committee Charter**

To ensure conformance with the new Global Internal Audit Standards (effective as of Jan. 9, 2025), Mr. Baldwin shared the Office's new strategic plan and revisions to sections in the OAAS Charter (i.e., Authority for the OAAS Office, Organization, Code of Ethics, Standards and Professionalism, and Duties and Responsibilities). Mr. Baldwin also shared 5 revisions and 6 new additions to the Audit and Compliance Committee (A&C) Charter revisions. Mr. Baldwin requested approval of the revisions to the OAAS and to the A&C Charters and requested that these items be included as consent approval on the full Board of Trustees' agenda.

Chair Jones asked if there were any questions. There were no questions.

*Chairman Collins moved to approve the OAAS Charter and the Revised Audit & Compliance Committee Charter. Trustee Henderson seconded the motion, and the motion was approved unanimously by all present at the meeting.*

**b. Informational Items**

- **Status Update – OAAS Audits**
- **Status Update – Institutional Risk Management Program**

Mr. Baldwin provided a status update on the Operational and IT audits completed and still in progress.

In summary:

- i. 5 Operational Audits have been completed
- ii. 3 Operational Audits are in progress
- iii. 3 IT Audits have been completed
- iv. 5 IT Audits are in progress

Chairman Collins and the A&C Committee members discussed the frequency of certain audits performed within specific at-risk departments. The lab schools and study abroad locations were discussed briefly as being considered higher risk because they are in satellite locations. Mr. Baldwin responded that these will be included on OAAS' FY2025-2026 Audit Plan as audits have not been previously performed at these locations.

Mr. Baldwin provided an update on the Institutional Risk Management (IRM) Program. Mr. Baldwin shared that the IRM Program is progressing very well and highlighted the Campus Committee composition and the 11 defined activities for the Program (e.g., develop risk appetite, likelihood, and impact statements; develop and present risk register template, risk assignments, etc.).

Rick Burnette discussed controls and oversight within the IRM process. Chairman Collins added that innovation and process are imperative to create an efficient system. Rick Burnette compared Risk vs. Opportunity – concluding that the more innovative you are, the more successful you will be.

**V. Open Forum for Trustees**

*Trustee Peter Jones, Chair*

Chair Jones opened the floor to discuss any additional items.

**VI. Adjournment**

*Trustee Peter Jones, Chair*

***There being no additional topics for discussion, Chair Jones adjourned the meeting at 3:00PM.***