

MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
AUDIT AND COMPLIANCE COMMITTEE
FLORIDA ATLANTIC UNIVERSITY
JUPITER, FLORIDA
OCTOBER 8, 2014

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and its Committees are accessible at <http://www.flbog.edu/>.*

Chair Alan Levine convened the meeting of the Audit and Compliance Committee at 8:02 a.m., in Room 149, in the Student Resource Center at Florida Atlantic University, in Jupiter, Florida. The following members were present: Matthew Carter, Wayne Huizenga, Tom Kuntz, Ed Morton, and Elizabeth Webster.

1. Call to Order

Mr. Levine called the meeting to order.

2. Approval of Minutes

Mr. Huizenga moved that the Committee approve the Minutes of the meeting of the Board of Governors Audit and Compliance Committee (Audit Committee) held June 18, 2014, as presented. Mr. Carter seconded the motion. The Minutes were approved.

3. Update, Florida A&M University Corrective Action Plan

Mr. Maleszewski provided Committee members with a brief history and current status of the Florida A&M University's Corrective Action Plan (CAP) developed in January 2013. Board staff has been monitoring the university's progress in correcting findings from Auditor General Operational Audits, the Board of Governors' Inspector General investigation of the university's anti-hazing program, and other independent reviews and reports.

Mr. Maleszewski explained that the Board Office's monitoring and follow-up with university staff included document reviews, conducting interviews and site visits to obtain evidence of corrective actions taken. Board staff tracked 30 high-level corrective actions in the areas of audit and compliance, finance, academics and accreditation, facilities and construction, and hazing and student code of conduct.

FAMU has made significant progress in these areas although Mr. Maleszewski recommended continued monitoring for the following select areas: Intercollegiate Athletics Department deficit-reduction plan, permanent and stable staffing, and results of current investigations and audits of university facilities and construction. Mr. Carter made a motion to direct the Inspector General, Mr. Maleszewski, to provide on-going feedback to the Committee for these three areas. Mr. Huizenga seconded the motion, and the motion was approved.

4. Performance-based Funding Data Integrity Certification

Mr. Maleszewski provided the Committee with a brief history of the Performance-based Funding Data Integrity Certification process. At the January 2014 meeting of the Board of Governors, Board Chair Mori Hosseini directed the Audit Committee to take on the responsibility for the Board's due diligence regarding the accuracy of university data submissions, especially as related to performance-based funding. Its goal will be to ensure the Board has the best possible performance information on which to base university funding decisions.

In his June 2014 letter to university boards of trustees chairs and presidents, Chair Hosseini requested they execute the Performance-based Funding Data Integrity Certification no later than March 1, 2015.

The data integrity certification has 10 statements university presidents must affirmatively certify to the Board of Governors. The statements are based upon the requirements of Board of Governors regulations and are related to data submissions, internal controls, information systems, appointment of data administrators, data submissions schedules, submission of error corrections, data administrator certifications and timely corrective action to audit findings. The completed certification must be approved by the board of trustees chair before being submitted to the Board of Governors via the Audit Committee.

In addition to the data certification, Chair Hosseini's June 2014 letter also directed university boards of trustees to task their chief audit executive with performing an independent audit of the university's data submissions processes. The deadline for audits to be submitted to the Board of Governors is March 1, 2015. Mr. Maleszewski stated universities audits are underway.

5. Updates, Office of Inspector General and Compliance

Before taking up this agenda item, Governor Levine shared with the Committee information Mr. Maleszewski had provided him earlier about the

SUS Compliance Consortium meeting he (Mr. Maleszewski) had attended in September 2014. Mr. Levine relayed that six of the 12 system universities were represented at that meeting and encouraged all universities to be active in the area of compliance, which covers all aspects of university life (athletics, Title IX of the Civil Rights Act of 1964, Procurement, Academics, IT Security, etc.).

Mr. Levine reiterated that the role of the Board of Governors Audit and Compliance Committee is not to regulate individual universities in their functions as that is the role of the boards of trustees. Boards of trustees audit committees need to ask the uncomfortable and hard questions and demand answers. The Board of Governors Audit Committee will also ask hard questions, and Mr. Levine stressed that university staff, chief audit executives specifically, should work with Mr. Maleszewski to ensure appropriate communication and reporting.

As there were no urgent items to be discussed or reviewed by the Committee, Mr. Levine asked Mr. Maleszewski to provide the Committee with OIGC updates at the next meeting.

6. Concluding Remarks and Adjournment

The meeting of the Audit Committee was adjourned at 8:31 a.m.

Alan Levine, Chair

Lori Clark, Compliance & Audit Specialist