



**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE**

Wednesday, December 5, 2018

8:00 am

Florida International University
Modesto A. Maidique Campus
Graham Center Ballrooms

Committee Membership:

Gerald C. Grant, Jr, *Chair*; Natasha Lowell, *Vice Chair*; Leonard Boord; Michael G. Joseph; Joerg Reinhold; Sabrina L. Rosell

AGENDA

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| 1. Call to Order and Chair's Remarks | Gerald C. Grant, Jr. |
| 2. Approval of Minutes | Gerald C. Grant, Jr. |
| 3. Discussion Items (<i>No Action Required</i>) | |
| 3.1 Office of Internal Audit Status Report | Trevor L. Williams |
| 3.2 University Compliance and Ethics Quarterly Report | Jennifer LaPorta |
| 4. Reports (<i>For Information Only</i>) | |
| 4.1 State University System of Florida Compliance Program Status Checklist, November 2018 | Jennifer LaPorta |
| 4.2 Athletics Compliance Quarterly Report | Jessica L. Reo |
| 5. New Business | Gerald C. Grant, Jr. |
| 5.1 Senior Management Discussion of Audit Processes | |
| 6. Concluding Remarks and Adjournment | Gerald C. Grant, Jr. |

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Audit and Compliance Committee**

December 5, 2018

Subject: Approval of Minutes of Meeting held September 5, 2018

Proposed Committee Action:

Approval of Minutes of the Audit and Compliance Committee meeting held on Wednesday, September 5, 2018 at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms.

Background Information:

Committee members will review and approve the Minutes of the Audit and Compliance Committee meeting held on Wednesday, September 5, 2018 at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms.

Supporting Documentation: Minutes: Audit and Compliance Committee Meeting, September 5, 2018

Facilitator/Presenter: Gerald C. Grant, Jr., *Audit and Compliance Committee Chair*

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**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE
MINUTES
SEPTEMBER 5, 2018**

1. Call to Order and Chair's Remarks

The Florida International University Board of Trustees' Audit and Compliance Committee meeting was called to order by Committee Chair Gerald C. Grant, Jr. at 8:12 am on Wednesday, September 5, 2018 at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms.

Committee Chair Grant welcomed all Trustees and University faculty and staff to the meeting.

General Counsel Carlos B. Castillo conducted roll call of the Audit and Compliance Committee members and verified a quorum. Present were Trustees Gerald C. Grant, Jr., *Chair*; Natasha Lowell, *Vice Chair*; Leonard Boord; and Joerg Reinhold. Trustee Jose L. Sirven, III arrived after the roll call and approval of the Minutes.

Trustee Michael G. Joseph was excused.

Trustees Dean C. Colson and Rogelio Tovar and University President Mark B. Rosenberg also were in attendance.

On behalf of the Committee, Committee Chair Grant welcomed Chief Audit Executive, Trevor L. Williams and Chief Compliance and Privacy Officer, Jennifer LaPorta.

2. Approval of Minutes

Committee Chair Grant asked that the Committee approve the Minutes of the meeting held on May 23, 2018. A motion was made and unanimously passed to approve the Minutes of the Audit and Compliance Committee Meeting held on Wednesday, May 23, 2018.

3. Discussion Items

3.1 Office of Internal Audit Status Report

Mr. Williams presented the Internal Audit Status Report, noting that 11 audits are in various stages of completion. He also explained that management has reported that 31 of the 50 recommendations due for implementation have been implemented. He added that the remaining 19 recommendations have been partially implemented and that management provided responses with revised target dates.

In response to Trustee Roger Tovar's comments regarding the timeliness of the audit and recommendations implementation process, Mr. Williams stated that while some audits are more involved, a review of current processes will be undertaken.

3.2 University Compliance and Ethics Quarterly Report

Ms. LaPorta explained that University Compliance works collaboratively with the Office of Internal Audit.

Ms. LaPorta provided an update on the University's Enterprise Risk Management, noting that risk owners have been assigned to the top 20 risks that were identified. She explained that as part of this process, risk owners will identify controls that are already in place and will develop mitigation plans to address those risks.

Ms. LaPorta provided an overview of assessments that are in progress. She reported that 18 of the 19 required State University System checklist components are in place, adding that the remaining component, which pertains to an external assessment of the University's Compliance program, is also in progress.

4. Reports

There were no questions from the Committee members in regards to the reports included as part of the agenda materials: the Office of Internal Audit Annual Activity Report 2017-18; the Compliance Program Annual Program Report 2017-18; and the Athletics Compliance Report.

5. New Business

General Counsel Castillo provided an update on the University's response to a recent routine external audit conducted by the Florida Department of Law Enforcement (FDLE) Division of Criminal Information Services. He explained that earlier in the year, FIU received a letter from FDLE's Division of Criminal Information Services advising that the FBI had scheduled a visit to Florida the week of August 27, 2018 in order to conduct a regularly scheduled triannual Criminal Justice Information Services Technology Security Audit at several randomly selected sites that access FBI background checks through a database known as the Volunteer and Employee Criminal History System (VECHS). He indicated that the letter advised that the Herbert Wertheim College of Medicine (HWCOM) was randomly chosen as one of the 11 agency sites in Florida to be audited by the FBI.

General Counsel Castillo stated that on July 17, 2018, the FDLE Criminal Justice Information Services Department conducted an audit site visit at HWCOM and thereafter, provided a technical audit review findings letter detailing five areas or processes that would need to be brought into compliance. He added that the FDLE then advised that if HWCOM responded to and remediated areas of deficiency detailed in their letter, the FBI audit would be cancelled, and a triannual certificate of compliance would be issued. He further stated that a University working committee convened and prepared an agency response that addressed and remediated all of the outstanding compliance issues. He indicated that the University expects to receive a certificate of compliance from the FDLE and that the FDLE advised that the FBI would not be conducting its audit.

General Counsel Castillo mentioned that as a result of the FDLE audit, another working committee was convened and has identified other units within the University that maintain a VECHS account. He noted that the working committee is assessing each of those units' compliance with the appropriate regulations to ensure that the corresponding training has been received or is being scheduled and that as of late August, all of these units were visited and reviewed by the committee, which is actively working with the units to ensure compliance.

5.1 Office of Internal Audit Discussion of Audit Processes

Committee Chair Grant noted that as is stipulated in the Audit and Compliance Committee Charter, the Committee must meet with the Chief Audit Executive without the presence of Senior Management. He further noted that as a meeting conducted in the Sunshine, no one present was required to leave during the discussion with the Chief Audit Executive, adding that this was strictly voluntary. The Committee met with the Chief Audit Executive and inquired about his transition, as well as confirmed that management was cooperating fully with the staff of the Office of Internal Audit to enable them to perform their function without hindrance. Additionally, the Committee communicated certain matters pertaining to the audit process that it deems are worthy of the Chief Audit Executive's attention. The Chief Audit Executive assured the Committee that he is committed to addressing their concerns. To ensure the audit function remains effective, the Committee indicated its commitment to provide full support to the Office of Internal Audit and its strategic plan.

6. Concluding Remarks and Adjournment

With no other business, Committee Chair Gerald C. Grant, Jr. adjourned the meeting of the Florida International University Board of Trustees Audit and Compliance Committee on Wednesday, September 5, 2018 at 8:43 a.m.

There were no Trustee requests.

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Office of Internal Audit Status Report

BOARD OF TRUSTEES

December 5, 2018



Date: December 5, 2018
To: Board of Trustees Audit and Compliance Committee Members
From: Trevor Williams, Chief Audit Executive
Subject: OFFICE OF INTERNAL AUDIT STATUS REPORT

I am pleased to provide you with our quarterly update on the status of our office's activities. Since our last update to the FIU Board of Trustees Audit and Compliance Committee on September 5, 2018, the following projects were completed:

Food Network & Cooking Channel South Beach Wine & Food Festival

The 2017 Festival, held on February 22 - 26, showcased a collection of world-renowned culinary talents and attracted over 250 sponsors and approximately 65,000 guests from around the world. The Festival reported that through the 2017 Festival, it has raised over \$26 million since inception directly benefiting the Chaplin School of Hospitality and Tourism Management. Particularly, the 2017 Festival generated over \$9 million in auxiliary fund revenues, with almost \$2 million directly benefiting the University.

The objectives of the audit were to determine whether the Festival's auxiliary operations were properly accounted for and were managed in accordance with established University policies and procedures, and applicable laws, rules, and regulations.

Our audit concluded that the Festival's results of operations were properly accounted for and managed in accordance with established policies and procedures, and revenues generated were used as intended and in accordance with University policy. Nevertheless, opportunities for improvement exist in the following areas: administration over recording of ticket sales, personnel administration, disbursements, supplier contract management, and adherence to PCI compliance. The audit resulted in seven recommendations, which management agreed to implement

Steven J. Green School of International and Public Affairs

The School brings together many of the University's international disciplines and supports a variety of community outreach programs and study abroad opportunities. It offers 38 interdisciplinary programs at the Bachelor, Master, and Doctoral levels, as well as 35

undergraduate and graduate certificate programs. Enrollment for the 2016-2017 academic year consisted of 6,961 students (5,980 undergraduate and 981 graduate/post graduate). The School had more than 450 faculty members and approximately 150 staff members. Its operating revenues totaled \$44.2 million and operating expenditures totaled \$43.8 million for the fiscal year ended June 30, 2017.

Our audit focused on the adequacy and effectiveness of financial and operational controls, and concluded that the School's financial management needed improvement, particularly in the areas of revenue controls, approving payroll and extra compensation, expenditure controls, and asset management. Better oversight over the use of lab and equipment fees collected is needed. Specifically, the School needs to assess the rates charged for these fees, annually, to establish the correct rate and ensure that the use of the fees comports with the purpose for their establishment. The audit resulted in 16 recommendations, which management agreed to implement.

College of Engineering and Computing

The College is home to one of the University's signature achievements, the Wall of Wind, one of the most powerful full-size hurricane simulators. Enrollment at the College for the 2017-18 academic year totaled 5,592, which included 4,754 undergraduate and 838 graduate students. For the fiscal year 2016-17, the College's operating revenues totaled approximately \$55 million while operating expenditures totaled approximately \$54 million. The major operating revenues and expenditures consisted of the Educational and General (E&G), Contracts and Grants, and Auxiliary funds.

Our audit concluded that the College's financial controls were generally adequate and in accordance with University policies and procedures. Nevertheless, we found opportunities for improvement in internal controls, particularly pertaining to: (1) the payroll and extra compensation process; (2) the expenditure process related to student fees, auxiliary programs, parking permits, and credit cards; (3) financial management; and (4) asset management. We also followed up on the prior audit recommendations related to the scope of this audit and found that for the 19 recommendations tested; all but two were fully implemented, representing an implementation rate of 89 percent. The audit resulted in 15 recommendations, which management agreed to implement.

Work in Progress

The following ongoing audits are in various stages of completion:

<i>Audits</i>	<i>Status</i>
HealthCare Network's Billing, Collections and Electronic Medical Records	Drafting Report
Student Technology Fees	Drafting Report
Information Technology - Cloud Services	Fieldwork in Progress
Performance Based Funding Metrics Data Integrity	Fieldwork in Progress
Nicole Wertheim College of Nursing and Health Sciences	Fieldwork in Progress
College of Business	Fieldwork in Progress
Patricia and Phillip Frost Art Museum	Fieldwork in Progress
Review of the Procurement Process at the Chaplin School of Hospitality and Tourism Management	Fieldwork in Progress
Facilities Management Data Systems Controls	Fieldwork in Progress

Professional Development

Audit staff continue to take advantage of professional development opportunities. For example, three staff members attended the Annual Conference sponsored by the Association of College and University Auditors (ACUA) in New Orleans, LA, September 9 - 13, 2018.

Other Matters

The Chief Audit Executive attended a State University Audit Council (SUAC) meeting of fellow CAE's, hosted at New College of Florida in Sarasota, on November 5 - 6, 2018. The Council members discussed various audit related topics, including the State's auditing requirements for Direct Support Organizations (DSO).



2018-2019 Compliance Work Plan Status Update

The Office of University Compliance and Integrity is pleased to present the quarterly status update for the 2018 – 2019 Compliance Work Plan. The information reflects progress on the key action items and other compliance activities for the reporting period beginning July 1, 2018 through September 30, 2018.

Completed	In Process			Not Begun
Fully Implemented	Good Progress	Slow Progress	Poor Progress	Not Begun
✓	●	●	●	N/B

Program Structure and Oversight

Organizations are expected to have high-level oversight and adequate resources and authority given to those responsible for the program.

Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Serves as a point for coordination of and responsibility for activities that promote an organizational culture that encourages ethical conduct and a commitment to compliance with applicable federal, state, and local laws, as well as regulations, rules, policies, and procedures.	Utilize Compliance Liaison scorecard to track Liaison participation and engagement level of involvement with the Program.	This compliance program objective (“Program Objective”) has been fully executed.	✓
	Leverage existing infrastructure by integrating Enterprise Risk Management (“ERM”) Advisory Committee responsibilities into the responsibilities of the Compliance Liaisons.	This Program Objective has been fully executed.	✓

Policies and Procedures			
Organizations are expected to have standards reasonably capable of preventing and detecting misconduct.			
Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Provide support for the development and enforcement of University policies and procedures.	Distribute the Principles and Standards (University Code of Conduct).	This Program Objective is in process. Roll-out is now scheduled for spring 2019.	●
	Conduct the following annual campaigns (training and/or policy distribution): <ul style="list-style-type: none"> • Annual Security Report - Clery Act training (training and Campus Fire and Safety report campaign distribution scheduled) • Ethics in purchasing and gift policy (policy and training campaign distribution scheduled) • Health Insurance Portability and Accountability Act (HIPAA) (policy and training campaign distribution scheduled) • Admissions-related policy campaign (policy distribution for four policies launched) • Payment Card Industry Data Security Standards (PCI-DSS) compliance (policy and training campaign distribution launched) • Preventing identity theft on covered accounts offered or maintained by FIU (Red Flags) 	This Program Objective is in process. Training materials are currently in various stages of completion.	●

	<p>(policy and training campaign distribution scheduled)</p> <ul style="list-style-type: none"> • Family Education Rights and Privacy Act (FERPA) (policy and training campaign distribution scheduled) <p>Additional Policy Campaigns:</p> <ul style="list-style-type: none"> • Disposal of surplus, damaged, and unserviceable University property (to be scheduled) • Gramm-Leach-Bliley Act (GLBA) (to be scheduled) • Petty Cash (to be scheduled) 		
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Training and Education

Organizations are expected to take reasonable steps to communicate periodically and in a practical manner, its standards and procedures, and other aspects of the compliance and ethics program to members of the governing authority, high-level personnel, substantial authority personnel, the organization's employees, and, as appropriate, the organization's agents. The organization should deliver effective training programs and otherwise disseminate information appropriate to such individuals' respective roles and responsibilities.

Compliance Program Objective	Key Action Items	Summary	Progress Indicator
<p>Support compliance education and training efforts and leverage technology to enhance awareness of important laws, regulation, and policies, and to document training completions.</p>	<p>Provide training and communication support for the following compliance topics:</p> <ul style="list-style-type: none"> • Adding and dropping of courses (policy campaign launched) • Animals in the Workplace Policy (policy and training campaign distribution scheduled) • Career and Talent Development (policy campaign distribution scheduled) 	<p>This Program Objective is in process. Training and communication materials are currently in various stages of completion.</p>	<p style="text-align: center;">●</p>

	<ul style="list-style-type: none"> • Clery Act training (training video and Campus Fire and Safety report campaign distribution scheduled) • Conflict of Interest (policy and training campaign distribution to be scheduled) • Ethics in purchasing and gift policy (policy and training campaign distribution scheduled) • Employment of foreign national in visa categories (policy campaign distribution to be scheduled) 		
	<ul style="list-style-type: none"> • Conflict of Interest training (to be scheduled) • Ethics in Purchasing and Gift Policy (policy, infographic and training campaign distribution scheduled) • Employment of Foreign Nationals infographic (to be scheduled) • FERPA (policy and training campaign/video distribution scheduled) • Fraud Prevention and Mitigation Policy live training (released) • HIPAA (policy and training campaign/video distribution scheduled) • Mandatory Reporting of Child Abuse video training (scheduled) • Military Leave video training and policy (released) • Observance of Religious Holy Days training video (released) 		

- PCI-DSS compliance (policy and training/video campaign distribution launched)
- Preventing identity theft on covered accounts offered or maintained by FIU (Red Flags) (policy and video training campaign distribution scheduled)

Additional Trainings and Communications:

- Animals in the Workplace training video (scheduled)
- Animals in the Workplace infographic (scheduled)
- Policy Library infographic (released)
- Policy Development Timeline (released)
- Political Activity and Participation shorter training video (released)
- Political Activity and Participation training video (released)
- Political Activity updates to website (completed)
- Anti-retaliation training video (released)

Measurement and Monitoring			
Organizations are expected to ensure that the organization's compliance and ethics program is followed, including monitoring and auditing to detect criminal conduct.			
Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Report matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.	Conduct compliance reviews for the following areas: <ul style="list-style-type: none"> • HIPAA - University-wide HIPAA Assessment (Cynergistek Program Assessment in progress) <ul style="list-style-type: none"> ○ Cynergistek - risk analysis (in progress) ○ Cynergistek - esearch assessment (in progress) ○ Cynergistek - privacy assessment (in progress) ○ Cynergistek - HIPAA hybrid entity assessment (in progress) • Healthcare billing and coding assessment (completed/implemented continued improvement action items) • General Data Protection Regulation (GDPR) enterprise-wide mapping and program development (in progress) • Compliance Program assessment (Ethisphere assessment in progress) • Incident Response Plan reporting (survey completed, action items to be developed) 	This Program Objective is in process. Compliance reviews are currently in various stages of completion.	●

Allegation Reporting and Investigations

Organizations are expected to have and publicize a system, which may include mechanisms that allow for anonymity or confidentiality, whereby the organization's employees and agents may report or seek guidance regarding potential or actual criminal conduct without fear of retaliation.

Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Initiate, conduct, supervise, coordinate, or refer to other appropriate offices, such inquiries, investigations, or reviews as deemed appropriate and in accordance with University regulations and policies.	<p>Development of guidelines for handling and reporting significant compliance matters ("Escalation Guidelines")</p> <p>Development of Investigation and Response Guidelines for Ethical Panter Line reports</p>	<p>The proposed Escalation Guidelines are being reviewed.</p> <p>Guidelines are being drafted</p>	●

Discipline and Incentives

Organizations are expected to promote and enforce consistency throughout the organization, appropriate incentives to perform in accordance with the compliance and ethics program, and appropriate disciplinary measures for engaging in criminal conduct and for failing to take reasonable steps to prevent or detect criminal conduct.

Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Support the process to address compliance failure in compliance or ethics through appropriate measures, including education or disciplinary action.	Develop an executive scorecard that highlights policy review and training requirements completed by the University President's Leadership Team.	This Program Objective is in process.	✓

Enterprise Risk Management

Organizations are expected to periodically assess the risk of criminal conduct and shall take appropriate steps to design, implement, or modify each requirement.

Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Support the University-wide effort to develop an ERM program.	Execute the ERM framework by working with the assigned Risk Owners to identify controls and monitoring efforts.	<p>This Program Objective has been partially executed.</p> <p>The policy statement, process, framework and risk owners have been identified.</p> <p>Mitigation action items in development.</p>	●

Organization Culture

Organizations are expected to promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.

Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Consult with the Board of Trustees and the President to encourage a culture of compliance and ethics.	Communicate the results of the 2016 culture survey and develop metrics on how to assess progress.	<p>The deliverable for this Program Objective changed.</p> <p>The communication plan is in process.</p>	●



SUS Compliance Program Status Checklist, November 2018

University Name: **Florida International University** Prepared by: **Jennifer LaPorta**

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below. Please use the “description” column to explain any elements not completed and provide the anticipated completion date. Regulation component A3 is not required until November 2021. If your university has begun or completed this component, please provide us with a description of the review process.

Return completed checklists by **Friday, November 30, 2018** to BOGInspectorGeneral@flbog.edu.



For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at julie.leftheris@flbog.edu or 850-245-9247.

Program Status Summary (November 2018)						
Area	Regulation Components	Completed	In Process			Not Begun
		✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A - University-wide Compliance Program	5	0	0	0	0	0
B - Program Plan	5	0	0	0	0	0
C - BOT Committee	4	0	0	0	0	0
D - Chief Compliance Officer	5	0	0	0	0	0
TOTAL	19	0	0	0	0	0

Legend:

- ✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.
- Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.
- Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).
- Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).
- N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The “N/B” indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.



Area A - University-wide Compliance Program

Regulation Component	Description	Progress Indicator
<p>A1 - University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]</p>	<p>November 2018: The University-wide compliance and ethics program (“Program”) continues to provide strategic guidance and support for activities that promote ethical conduct and maximize compliance with applicable laws, regulations, rules and policies. The Program is designed and implemented consistent with the Code of Ethics for Public Officers and Employees (“Code of Ethics”) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B (“FSG”) and BOG Regulation 4.003(1) and (2)(b). The Office of University Compliance and Integrity (“Compliance Office”) manages the Program by supporting the dissemination and review of effective University-wide policies and procedures, education and training, monitoring, communication, risk assessment, and response to reported issues as required by the Code of Ethics, FSG and BOG Regulation 4.003.</p>	
<p>A2 - CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]</p>	<p>November 2018: The FIU Board of Trustees (“Board”) assigned responsibility for providing governance oversight of the Program to the Audit and Compliance Committee (“Committee”). The Chief Compliance Officer (“CCO”) provides a written quarterly update to the Board through the Committee. Program effectiveness is reported to the Board annually. The 2017-2018 Annual Compliance Report was delivered to the Board in September 2018.</p>	
<p>A3 - External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]</p>	<p>November 2018: An external review of the design and effectiveness of the Program is underway by Ethisphere. The Assessment will result in a detailed findings report and executive presentation that identifies gaps and includes practical recommendations for remediation. The assessment will:</p> <ul style="list-style-type: none"> • Identify how the program aligns with the hallmarks of an effective compliance program outlined by the Federal Sentencing Guidelines. • Benchmark the Program using data from the World’s Most Ethical Companies and determine where the Program is in line with leading practices – and where gaps may exist. • Utilize the practical and actionable roadmap included in the final report to help prioritize program initiatives, allocate resources, and plan for future investment of human and financial resources. 	

<p>A4 - Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]</p>	<p>November 2018: Non-compliance, unethical behavior, or criminal conduct may be reported directly to a manager, to the Ethical Panther reporting line or various other mechanisms. The CCO collaborates with Program partners to verify that reasonable steps have been taken to prevent further similar behavior. Depending on the nature of the incident(s), various corrective actions, including the creation of compliance monitoring plans are used to improve detection efforts and monitoring efforts. Efforts related to compliance monitoring are reported to the Board.</p>	<p>✓</p>
<p>A5 - Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]</p>	<p>FIU has a background check policy and procedure that applies to the following faculty, staff, and administrators:</p> <ul style="list-style-type: none"> • New hires • Rehired after <i>a break in service</i>, • Volunteers, and; • Current <i>administrative</i> or <i>staff</i> employee promoted or transferred into a position with required background checks, unless the employee has successfully passed the position-related background checks within the past five (5) years. <p>At a minimum, new hires receive a level 1 criminal background investigation. Level II criminal background investigations and other due diligence steps may be conducted, depending on the position. Periodic re-screening may be conducted depending on whether the employee has access to minors, or has responsibility for a merchant account. The University also checks the “Excluded Individuals and Entities List” maintained by the Office of the Inspector General, and conducts motor vehicle record checks every two (2) years or when a report is made that an employee is not operating a University vehicle safely.</p>	<p>✓</p>

Area B - Program Plan		
Regulation Component	Description	Progress Indicator
<p>B1 - Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]</p>	<p>November 2018: The President and the Board receive information about the Program and exercise oversight with respect to implementation and effectiveness. The CCO continues to provide the annual Compliance Work Plan (“Program Plan”) to the Board for approval. The 2018-2019 Program Plan was approved by the Committee at its May 2018 meeting.</p>	<p>✓</p>

<p>B2 - Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]</p>	<p>November 2018: Faculty, staff, and administrators receive training regarding their responsibility and accountability for ethical conduct and compliance with applicable laws, regulations, rules policies and procedures. The 2017-2018 and 2018-2019 Program Plans addressed the number of policies and relevant information regarding the distribution of compliance trainings and compliance education campaigns. As part of the Board orientation process, Board members receive materials regarding the Florida Sunshine Law and the Florida Code of Ethics for Public Officers and Employees. In addition, University policies, including gift acceptance, and conflict of interest are included. During new Board member orientation, the CCO meets with new Board members to provide information regarding the Program, and the General Counsel meets with new Board members to review legal responsibilities. The General Counsel conducts training every two years during meetings of the Board on the responsibilities set forth above. Further, the Board receives information regarding oversight responsibility regarding Title IX on an annual basis.</p>	<p style="text-align: center;">✓</p>
<p>B3 - Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]</p>	<p>November 2018: Compliance Officers and Compliance Liaisons provide support to the CCO on University-wide compliance initiatives. The following is a list of designated Compliance Officers and Compliance Liaisons with a direct or dotted-line reporting relationship to the CCO. The job description for each of the individuals listed includes requirements regarding their role in supporting the Program. Direct reporting relationships:</p> <ul style="list-style-type: none"> • Jessica L. Reo - Sr. Associate Athletics Director/Compliance Officer/Special Projects • Open position - Compliance Specialist and Export Control Administrator • Mark E. Green, Jr. - Compliance Manager • Open position- Director of Compliance and Privacy for Health Affairs • Open Position - Compliance Coordinator <p>Dotted line reporting relationships (HR Liaisons):</p> <ul style="list-style-type: none"> • Tonja Moore - Associate Vice President Planning and Operations, Office of Research and Economic Development • Helvetiella Longoria - Interim Chief Information Security Officer, Division of Information Technology • Wilfredo J. Alvarez - Assistant Director of Environmental Health and Safety 	<p style="text-align: center;">✓</p>

	<ul style="list-style-type: none"> • Alex Fernandez – Compliance Analyst, University Police • Shirlyon J. McWhorter – Director of Equal Opportunity Programs and Diversity – Human Resources • Yolande D. Flores – Executive Director of Finance and Administration, Advancement Services and Operations • Open Position – Director, -Environmental Health and Safety Department • Francisco Valines –Director, Office of Financial Aid • Alexander Fals – Director of Operational Analysis, Facilities Administration 	
<p>B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]</p>	<p>November 2018: The Program maintains, promotes visibility and publicizes the Ethical Panther reporting hotline. The hotline is available for the reporting (including anonymous reporting) of potential or actual misconduct and violations of policy, regulations or law. No one submitting a report will be subjected to retaliatory action for inquiring about possible criminal, unethical or otherwise inappropriate activity or behavior, or reporting them in good faith. The Hotline platform allows for continued communication with the reporting party where updates can be provided by the reporting party, including reporting of retaliatory conduct. Hotline complaint data is reviewed with the Division of Human Resources to look for signs that the reporting party may have been retaliated against.</p>	
<p>B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]</p>	<p>November 2018: The Program completed the first University-wide ethics and compliance culture survey. The results of the survey will be used to enhance our culture of ethics and compliance and to inform decisions regarding communication, training and education. The CCO implemented an escalated notification process and an executive scorecard. The information is shared with the University President and the senior leadership monthly. Issues of non-compliance are escalated and addressed with the support of the Division of Human Resources. The CCO has also implemented a Compliance Liaison scorecard.</p>	

Area C – BOT Committee		
Regulation Component	Description	Progress Indicator
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	November 2018: The Board adopted an Audit and Compliance Committee Charter (“A&C Charter”) in December 2016. Responsibility for providing governance oversight of the Program was delegated by the Board to the Committee in the A&C Charter.	✓
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	November 2018: The A&C Charter defines the role of the Committee to review the independence, qualifications, activities, resources and the Plan. The A&C Charter specifies that the CCO is to provide regular updates to the Committee regarding monitoring of compliance with University policies, significant compliance findings that may have a material impact on the University’s financial statements or compliance policies, recommendations implemented, program effectiveness, and training elements. A copy of the approved A&C Charter has been forwarded to the Board of Governors.	✓
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	November 2018: The CCO provides a written quarterly compliance report to the Board, and meets quarterly with the Committee. The CCO participates in the new Board member orientation process.	✓
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	November 2018: The University President and the CCO have a standing monthly meeting scheduled to discuss compliance matters. The CCO has a weekly standing meeting with the Vice President for Operations and Safety- Chief of Staff. The CCO attends the monthly Deans Advisory Council and Operations team meetings. The University President receives a compliance report from the CCO at the beginning of each month.	✓

Area D – Chief Compliance Officer		
Regulation Component	Description	Progress Indicator
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	<p>November 2018: The University has a senior-level administrator as the CCO. The appointment is expressed in the Compliance Office Charter.</p> <p>The approved Compliance Office Charter has been forwarded to the Board of Governors.</p>	✓
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	<p>November 2018: Copy of organization chart and human resources documentation demonstrating the supervisor of record is attached.</p> <p>The CCO reports functionally to the Board and Administratively to the President of the University.</p>	✓
D3 – Compliance Office Charter [4.003(6)]	<p>November 2018: The Compliance Office Charter was approved during the March 2017 Board meeting. The Compliance Charter will continue to be reviewed at least every (3) years for consistency with applicable regulations, professional standards, and best practices. The Compliance Office Charter specifies that the CCO is expected to:</p> <ul style="list-style-type: none"> • Collaborate with senior leadership and compliance liaisons. • Have a functional reporting relationship to the Board and an administrative reporting relationship to the President. • Maintain appropriate resources to support compliance activities. • Coordinate efforts to create or verify that compliance policies are distributed and compliance trainings are conducted. • Provide compliance status updates and assessments regarding Program effectiveness. • Publicize and promote an anonymous hotline. • Enforce the Program through appropriate incentives and disciplinary measures to encourage a culture of compliance and ethics. • Provide assurances regarding the effectiveness of internal processes for determining risk exposure from non-compliance with laws and regulations. 	✓

<p>D4 - CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]</p>	<p>November 2018: The CCO has the independence and objectivity to perform the responsibilities of the CCO function, conduct and report on compliance and ethics activities free of actual or perceived impairment to the independence of the CCO. The independence of the CCO role is expressed in the Compliance Office Charter. There are no barriers to access and reporting.</p>	<p style="text-align: center;">✓</p>
<p>D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]</p>	<p>November 2018: The CCO manages direct reports and maintains dotted line reporting relationships as set forth in regulation component B3. Dotted line reporting relationship expectations are outlined in the job descriptions of each dotted line report. Responsibilities include:</p> <ul style="list-style-type: none"> • Attending compliance liaison meetings • Supporting Program communication and risk assessment efforts • Providing compliance data and participating in Compliance Week activities <p>The 2018-2019 Compliance Office operating budget is approximately \$180,403.00, which excludes salaries.</p>	<p style="text-align: center;">✓</p>

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date _____
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date _____
Board of Trustees Chair



**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

**Audit and Compliance Committee
December 5, 2018**

2018-2019 ATHLETICS COMPLIANCE QUARTERLY REPORT

Reporting Period: July 1 - September 30, 2018

The Senior Associate Athletics Director of Compliance and Special Projects (“ACO”) is pleased to present this Athletics Compliance Report to the Audit and Compliance Committee of the Florida International University Board of Trustees.

The purpose of the athletics compliance program (“Program”) at Florida International University (“FIU”) is to advance a culture of ethics, integrity, and compliance with National Collegiate Athletics Association (“NCAA”) Bylaws, Conference USA (“CUSA”) policies, regulations and procedures, and institutional regulations and policies, which govern institutions who are members of the NCAA. The FIU Board of Trustees maintains ultimate oversight responsibility of the Program while the Chief Compliance Officer (“CCO”) is responsible for oversight of the department. The ACO is responsible for maintaining day-to-day oversight of NCAA athletics compliance.

Progress Indicators				
Completed	In Process			Not Begun
Fully Implemented	Good Progress	Slow Progress	Poor Progress	Not Begun
✓	●	●	●	N/B

Program Structure and Oversight

Organizations are expected to have high-level oversight and adequate resources and authority given to those responsible for the program.

Compliance Program Objective	Key Action Items	Summary	Progress Indicator
Serve as a point for coordination of and responsibility for activities that promote an organizational culture that encourages ethical conduct and a commitment to compliance with applicable federal, state, and local laws, as well as regulations, rules, policies, and procedures.	Continue to deliver monthly compliance reports to the University President’s Chief of Staff, General Counsel, and the CCO.	This compliance program objective (“Program Objective”) is and continues to be on-going and in progress.	●

Policies and Procedures

Organizations are expected to have standards reasonably capable of preventing and detecting misconduct.

Provide support for the development and enforcement of University policies and procedures.	Continue to update the NCAA Athletics Compliance Manual and distribute to all athletics staff.	Compliance Manual has been distributed to all athletics staff and continues to be updated as needed.	●
	Administer the NCAA recruiting test each year to all coaches to ensure accountability to NCAA rules.	For the 2018-19 year this objective is currently in progress. Coaches are expected to take the exam no later than July 31, 2018 for the 2018-19 recruiting year. All coaches have currently taken the test and as new coaches are hired, we require proof of their score from a previous institution or they will take the test under our guidelines.	●
	Ensure communication efforts are appropriate for reporting of NCAA violations and violations of institutional policies and procedures.	This is an on-going Program Objective and continues to be in process for the 2018-19 academic year. We will be reviewing our policies and procedures to communicate any updates to coaches and staff.	●
	Athletics Compliance Staff should regularly attend practice of teams to ensure that practice times being reported are accurately reflected in the practice reports.	For the 2018-19 academic year, our Athletics Compliance Office has been attending more practices on a weekly basis. We have a tracking procedure in place and are rotating the sports throughout the office staff to ensure fair and equitable review of the sports' training schedules.	●

Training and Education

Organizations are expected to take reasonable steps to communicate periodically and in a practical manner, its standards and procedures, and other aspects of the compliance and ethics program to members of the governing authority, high-level personnel, substantial authority personnel, the organization's employees, and, as appropriate, the organization's agents. The organization should deliver effective training programs and otherwise disseminate information appropriate to such individuals' respective roles and responsibilities.

Report matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.	Execute monthly rules education meetings with all coaches.	Rules education meetings were held in August and September. These are scheduled for the second Tuesday of every month.	●
	Execute twice-per-year educational meetings with all departments that work with student-athletes and/or have responsibility over executing or monitoring certain areas of NCAA compliance.	During August and September, the Athletics Compliance Office concentrates on internal departments for rules education. These internal athletics departments meetings are scheduled for October. Non-athletic department meetings are scheduled for November.	●

Measurement and Monitoring

Organizations are expected to ensure that the organization's compliance and ethics program is followed, including monitoring and auditing to detect criminal conduct.

Organizations should have in place a system and schedule for routine monitoring and auditing of organizational transactions, business risks, controls and behaviors.	Monitor phone calls pursuant to NCAA bylaws.	This Program Objective is in progress. Due to NCAA legislative changes, the ACO is re-evaluating how to monitor phone calls between the coaching staff and student-athletes.	●
	Monitor recruiting contact between coaches and prospective student-athletes.	This Program Objective is in progress. The ACO is continuing to work with the coaching staff to ensure that coaches are knowledgeable about recruiting rules.	●

	Monitor Time Management Plan Implementation and Documentation.	The Time Management Plan has been implemented again for the 2018-19 academic year. The summary for the 2017-18 academic year was reviewed by the University President.	●
Initiate, conduct, supervise, coordinate, or refer to other appropriate offices, such inquiries, investigations, or reviews as deemed appropriate and in accordance with University regulations and policies.	Finalize and communicate the NCAA reporting process to all coaches and administrative staff within athletics.	During the first of the year meeting for 2018-19, this was communicated to all coaches/staff at our All-Staff Meeting.	✓
	Provide opportunities for ACO staff to engage in learning opportunities regarding escalation plans, investigation techniques, and reporting responsibilities.	The ACO staff attended the NCAA Regional Rules Sessions that address all of the issues indicated.	✓
Appropriate compliance and ethics program improvements should be designed to reduce identified risks or compliance violations.	Execute a targeted compliance risk assessment for two (2) high-risk areas. The assessments will be selected based on internal audit findings or based on assessments of reported NCAA violations in a particular bylaw and/or sport.	This Program Objective is in the planning stages. Assessment areas have been identified and will be completed in the 2018-19 academic year.	N/B

Allegation Reporting and Investigation

Organizations are expected to have and publicize a system, which may include mechanisms that allow for anonymity or confidentiality, whereby the organization's employees and agents may report or seek guidance regarding potential or actual criminal conduct without fear of retaliation.

Initiate, conduct, supervise, coordinate, or refer to other appropriate offices, such inquiries, investigations, or reviews as deemed appropriate and in accordance with University regulations, policies, and NCAA rules.	Coordinate efforts to investigate allegations of NCAA guidelines and University policy violations.	This Program Objective is on-going and in progress. The ACO continues to monitor potential violations.	●
	Through monthly rules education, integrate ethics and compliance incentive opportunities.	This Program Objective is on-going and in progress. During the reporting period, mandatory educational sessions have been conducted for staff and coaches.	●

Discipline and Incentives

Organizations are expected to promote and enforce consistency throughout the organization, appropriate incentives to perform in accordance with the compliance and ethics program, and appropriate disciplinary measures for engaging in criminal conduct and for failing to take reasonable steps to prevent or detect criminal conduct.

Support the process to address compliance failure in compliance or ethics through appropriate measures, including education or disciplinary action.	Coordinate efforts to respond to requests and inquiries from internal and external sources.	The Athletics Compliance Office continues to identify non-athletic departments on-campus that may have an impact on student-athletes and/or their eligibility. These Departments need training regarding knowledge of NCAA rules, procedures, and processes.	✓
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Ongoing Program Improvement

Organizations are expected to promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.

<p>Organizations should encourage a “speak up” culture to support reporting instances of misconduct.</p>	<p>Execute a culture survey to coaches, administrators and student-athletes and incorporate the findings into the Athletics Compliance strategy for education, information, and communication.</p>	<p>A culture survey was executed for student-athletes in the 2017-18 academic year. The planning for a culture survey for coaches and administrators will be conducted and findings will be implemented in 2019.</p>	<p style="text-align: center;">●</p>
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