



**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.