FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE

FIU, Modesto A. Maidique Campus, Graham Center Ballrooms

Thursday, February 13, 2025
9:00 AM

Chair: Alan Gonzalez
Vice Chair: Yaffa Popack
Members: Noël C. Barengo, Carlos A. Duart, Chanel T. Rowe, Roger Tovar

AGENDA

1. **Call to Order and Chair's Remarks**   **Alan Gonzalez**

2. **Approval of Minutes**   **Alan Gonzalez**

3. **Action Items**

   AC1. **Acceptance of Performance Based Funding and Preeminent Metrics Data Integrity Audit Report and Approval of Data Integrity Certification**   **Trevor L. Williams**

   AC2. **Office of Internal Audit External Quality Assurance Review, November 2024**   **Trevor L. Williams**

4. **Discussion Items** *(No Action Required)*

   4.1 **Office of University Compliance and Integrity Quarterly Report**   **Jennifer LaPorta**

   4.2 **Office of Internal Audit Status Report**   **Trevor L. Williams**

5. **New Business**   **Alan Gonzalez**

   5.1 Senior Management Discussion of Audit Processes

6. **Concluding Remarks and Adjournment**   **Alan Gonzalez**

The next Audit and Compliance Committee Meeting is scheduled for June 12, 2025

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Meeting Book - 02.13.25 - Audit and Compliance Committee Meeting

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February 13, 2025

Subject: Approval of Minutes of Meeting held November 21, 2024

Proposed Committee Action:

Approval of Minutes of the Audit and Compliance Committee meeting held on November 21, 2024.

Background Information:

Committee members will review and approve the Minutes of the Audit and Compliance Committee meeting held on November 21, 2024.

Supporting Documentation: Minutes: Audit and Compliance Committee meeting, November 21, 2024

Facilitator/Presenter: Alan Gonzalez, *Chair, Audit and Compliance Committee*

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FIU | **Board of Trustees**

Audit and Compliance Committee
November 21, 2024
FIU, Modesto A. Maidique Campus, Graham Center Ballrooms

MINUTES

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 Alan Gonzalez at 9:00 AM on Thursday, November 21, 2024.

General Counsel Carlos B. Castillo conducted roll call of the Audit and Compliance Committee members and verified a quorum. Present were Trustees Alan Gonzalez, *Chair*; Yaffa Popack*, Vice Chair*; Noël C. Barengo; Francis A. Hondal; Chanel T. Rowe *(Zoom)*; and Roger Tovar, *Board Chair*.

Board Vice Chair Carlos A. Duart was excused.

The following Board members were also in attendance: Trustees Francesca Casanova, Dean C. Colson, Natasha Lowell, Marc D. Sarnoff, and Albert R. Taño.

Committee Chair Gonzalez welcomed all Trustees and members of the University administration. He also welcomed the University community and general public.

2. Approval of Minutes

Committee Chair Gonzalez asked if there were any additions or corrections to the minutes of the Audit and Compliance Committee meeting held on September 12, 2024. Hearing none, a motion was made and unanimously passed to approve the minutes of the Audit and Compliance Committee meeting held on September 12, 2024.

3. Discussion Items

3.1 Office of Internal Audit Status Report

Chief Audit Executive Mr. Trevor L. Williams presented the Office of Internal Audit Status Report. He indicated that there are 12 audits in various stages of completion, ranging from the planning stage to draft reports being issued. He stated that the Office of Internal Audit (OIA) receives complaints of alleged wrongdoing, including suspected fraud, waste, and abuse. He added that since OIA's last report to the Committee, three (3) such complaints were received and one (1) has been closed. Mr. Williams commented on the continued collaboration with Chief Compliance and Privacy Officer Ms. Jennifer LaPorta and the Compliance team on the development of the risk tracking platform. He noted that OIA has undergone a quality assurance review process, or peer review. He added that the peer review team has completed their field work and is in the process of drafting the final report. Mr. Williams stated that the final report will be shared with the Board of Trustees. He

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remarked on the expected revisions to the Committee's Charter and OIA Charter in response to the new professional standards issued by the Institute of Internal Auditors. He further stated that said new standards are due for implementation on January 9, 2025.

3.2 Office of University Compliance and Integrity Quarterly Report
Ms. LaPorta indicated that the University filed the Federal and State Foreign Influence reports in July and are currently collecting data for the January report. She noted that FIU's 2023-24 Foreign Countries of Concern Report was submitted to the Florida Board of Governors (BOG) in September following FIU Board of Trustees approval. She commented on the November 20, 2024 BOG meeting where it was reported that four (4) State University System (SUS) institutions reported a total of 140 engagements with foreign countries of concern. Ms. LaPorta noted that FIU reported 17 of said engagements. She added that it was also reported that 16 SUS engagements with foreign countries of concern are still active. She noted that none involved FIU, as the University's engagements were all terminated or expired in the 2023-24 cycle. She pointed out that FIU does not anticipate that it will have anything to report in future reporting cycles. Ms. LaPorta stated that the Office of Compliance met with several FIU units to discuss and assess unit specific foreign influence controls. She mentioned that the Office of Compliance also spent significant time and effort to further develop substantive material for the new research security website.

Ms. LaPorta indicated that the Office of Compliance launched five (5) compliance training campaigns and ushered 13 new/substantively updated policies through the policy framework endorsement process. She noted that a new policy owner checklist was also developed. Ms. LaPorta stated that the Office of Compliance is working with the Division of Information Technology to transition to a new policy library platform. Ms. LaPorta remarked on implementing and operationalizing the compliance requirements of BOG Regulation 9.016 – Prohibited Expenditures. She added that FIU's three person Prohibited Expenditures Workgroup work to develop tools, communications and education for the University community. She further stated that said Workgroup began in-person training for key units, met with units to discuss and assess compliance with the Prohibited Expenditure Regulation and prepared a required submission to the BOG related to FIU's prohibited expenditure compliance efforts.

Ms. LaPorta stated that the Office of Compliance communicated with units across the University to remind them of deadlines and to seek verification of submissions for 38 compliance-related filings and activities. She commented on the Office's continued oversight and administration of the FIU Ethical Panther Hotline, which included the assignment, review, and tracking of 64 open reports through the end of September 2024. Ms. LaPorta noted that the Office of Compliance team has also been actively demoing new hotline providers and will have chosen a new hotline provider by the next update to the Audit and Compliance Committee. She noted that, in the first quarter, the Office of Compliance served on two search committees, one for Senior Director of the Office of Civil Rights Compliance and the other for a Director of International Student and Scholar Services. She pointed out that the Office of Compliance is actively recruiting for a new compliance position, Foreign Influence Manager.

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4. New Business
4.1 Office of Internal Audit Discussion of Audit Processes
Committee Chair Gonzalez noted that, prior to today's meeting and as is the practice prior to every meeting of the Audit and Compliance Committee, he met with Mr. Williams, Ms. LaPorta, and the University's liaison to the Committee, Vice President and Chief of Staff Javier I. Marques regarding matters to be brought before and actions to be taken by the Committee. Committee Chair Gonzalez added that he also met separately with Mr. Williams. Committee Chair Gonzalez indicated that Mr. Williams had no concerns to report. Responding to Committee Chair Gonzalez, Mr. Williams indicated that he had noting further to bring to the Committee's attention regarding the audit process.

5. Concluding Remarks and Adjournment
With no other business, Committee Chair Alan Gonzalez adjourned the meeting of the Florida International University Board of Trustees Audit and Compliance Committee on Thursday, November 21, 2024, at 9:18 AM.

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February 13, 2025

Subject: Acceptance of Performance Based Funding and Preeminent Metrics Data Integrity Audit Report and Approval of Data Integrity Certification

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Proposed Action:

Florida International University Board of Trustees acceptance of the Audit Report - Audit of Performance Based Funding and Preeminent Metrics Data Integrity and approval of the Performance Based Funding and Preeminence Status – Data Integrity Certification, as executed by the University President.

Background information:

As required by Florida Board of Governors (BOG) Regulation 5.001 and Florida Statute 1001.706, the Office of Internal Audit has performed an audit of the data integrity related to the University's Performance-Based Funding and Preeminent metrics. The audit objectives were to (1) determine whether the processes established by the University ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support said metrics and (2) provide an objective basis of support for the University President and the Board of Trustees Chair to sign the representations made in the Data Integrity Certification for Performance-based Funding and Preeminence status.

Using the results from the data integrity audit, the University President has completed the Data Integrity Certification, furnished by the BOG. The certification document shall be signed by the Florida International University Board of Trustees (BOT) Chair after being approved by the BOT.

Florida Board of Governors Regulation 5.001(8) states, in relevant part, that University chief audit executives shall conduct or cause to have conducted an annual data integrity audit to verify the data submitted for implementing the Performance-based Funding Model complies with the data definitions established by the Board of Governors. The audit report shall be presented to the university's board of trustees for its review, acceptance, and use in completing the data integrity certification. The audit report and data integrity certification are due to the Board of Governors' Office of Inspector General by March 1 each year.

Supporting Documentation: Audit of Performance Based Funding and Preeminent Metrics Data Integrity

Data Integrity Certification, March 2025

Facilitator/Presenter: Trevor L. Williams

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FIU | Office of Internal Audit

FLORIDA INTERNATIONAL UNIVERSITY

**Audit of Performance-Based Funding
and Preeminent Metrics Data Integrity**

**Report No. 24/25-05
January 29, 2025**

Date: January 29, 2025

To: Hiselgis Perez, Associate Vice President for Analysis and Information Management

From: Trevor L. Williams, Chief Audit Executive

Subject: Audit of Performance-Based Funding and Preeminent Metrics Data Integrity – Report No. 24/25-05

Since 2014, the State University System of Florida Board of Governors (BOG) has utilized a performance-based funding program, based on 10 performance metrics, to evaluate Florida's public universities. For fiscal year 2024-2025, the Florida Legislature and Governor allocated $645 million in performance-based awards, of which FIU received $70.5 million for being ranked first. Additionally, in 2024, FIU received the designation of a preeminent state research university by the authority of Florida Statute 1001.7065.

As required by BOG Regulation 5.001(8) and Florida Statute 1001.706, we have audited the data integrity related to the University's performance-based funding and preeminent metrics. Our audit objectives were to (1) determine whether the processes established by the University ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support said metrics; (2) evaluate the implementation of a prior year audit recommendation; and (3) provide an objective basis of support for the University President and the Board of Trustees Chair to sign the representations made in the *Data Integrity Certification* for Performance-Based Funding and Preeminence status to be filed with the BOG by the first business day of March 2025.

Our audit confirmed that FIU continues to have good process controls for maintaining and reporting performance metrics data and the system continues to function in a reliable manner, in all material respects. However, although having no adverse impact on the calculation of the metrics tested, we identified gaps that if appropriately addressed by management, will enhance the process. We offered two recommendations to address the issues identified during the audit. Management has agreed to implement all the recommendations offered.

We want to take this opportunity to express our appreciation to you and your staff for the cooperation and courtesy extended to us during the audit.

C: FIU Board of Trustees
   Kenneth A. Jessell, University President
   Elizabeth M. Béjar, Provost, Executive Vice President, and Chief Operating Officer
   Aime Martinez, Chief Financial Officer and Vice President for Finance and Administration
   Javier I. Marques, Vice President for Operations and Safety and Chief of Staff, Office of the President
   Robert Grillo, Vice President, Information Technology; Chief Information Officer
   Brigette Cram, Vice President, Academic Affairs: Student Success Operations and Integrated Planning
   Tonja Moore, Associate Vice President of Research Strategic Planning and Operations

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EXECUTIVE SUMMARY

Introduction

Beginning in fiscal year 2013-2014, the State University System of Florida Board of Governors (BOG) instituted a performance-based funding program predicated on 10 performance metrics used to evaluate Florida's public universities. For fiscal year 2024-2025, FIU ranked first and received $70.5 million of the $645 million (10.9%) distributed by the Florida Legislature and Governor. Furthermore, in 2024, the University achieved sufficient preeminent metrics to receive the designation of a preeminent state research university.

What We Did

As required by the BOG, we performed this audit to determine whether the processes established by the University ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support the University's Performance-Based Funding and Preeminent Metrics.

What We Concluded

In summary, we concluded that the University continues to have effective process controls for maintaining and reporting performance metrics data. In our opinion, the process, in all material respects, continues to function in a reliable manner. Nevertheless, although having no adverse impact on the calculation of the metrics tested, we observed an area that could benefit from process improvements, as follows:

- Some sampled Student Instruction (SIF) file data submitted to the BOG does not agree with the data found in the students' PantherSoft records.

The reportable conditions found and the background giving rise to the foregoing recommendations are detailed in the Findings and Recommendations section beginning on page 5 of this report. We have also included the mitigation plans management has proposed in response to our findings and recommendations, along with their implementation dates and complexity ratings.

OBJECTIVES, SCOPE, AND METHODOLOGY

Pursuant to the State University System (SUS) of Florida Board of Governors Regulation 5.001(8) and Florida Statute 1001.706, we have completed an audit of the data integrity and processes utilized in the University's Performance-Based Funding (PBF) and Preeminent Metrics. Our audit entailed an examination of data files submitted to the BOG between September 1, 2023, and August 31, 2024. The primary objectives of our audit were to:

(a) Determine whether the processes established by the University ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support the University's Performance-Based Funding and Preeminent Metrics;

(b) Evaluate the implementation of a prior year audit recommendation; and

(c) Provide an objective basis of support for the FIU Board of Trustees Chair and the University President to affirm the representations made in the *Data Integrity Certification,* which shall be filed with the BOG by March 1, 2025.

We conducted our audit in conformance with the International Standards for the Professional Practice of Internal Auditing, promulgated by The Institute of Internal Auditors. The audit included an examination of the supporting records and processes and the performance of other auditing procedures, as we considered necessary under the circumstances. Sample sizes and transactions selected for testing were determined on a judgmental basis applying a nonstatistical sampling methodology. Therefore, our test results are limited to our sample and might not be representative of the population from which the sample was selected. We performed our audit planning and fieldwork from November 2024 through January 2025.

To satisfy our objectives, we validated that the data submitted was unabridged and identical to the data contained in PantherSoft, the University's system of record. However, in certain circumstances as described within the individual metrics accuracy testing, we may have further validated the integrity of the data contained in PantherSoft. During the audit, we:

- confirmed our understanding of the data flow processes for all the relevant data files from the transactional level to their submission to the BOG;
- reviewed data definitions and methodology established by the relevant groups within the BOG and FIU to identify changes to the PBF metrics;
- observed current practices and data processing techniques; and
- tested the accuracy of the data files for 4 of the 10 PBF metrics and 4 of the 12 preeminent metrics achieved and submitted to the BOG as of August 31, 2024.

We reviewed all internal and external audit reports issued during the last three years and found two reports that offered nine recommendations which management implemented, and our office verified during our follow-up procedures. As referenced in objective (b) above, we completed audit procedures for the implementation of prior year audit recommendation 2.2 from Report No. 22/23-06, Audit of Performance Based Funding and Emerging Preeminent Metrics Data Integrity, issued February 10, 2023.

BACKGROUND

The Florida Board of Governors has broad governance responsibilities affecting administrative and budgetary matters for Florida's 12 public universities. Beginning in fiscal year 2013-2014, the BOG instituted a performance-based funding program, which is predicated on 10 performance metrics used to evaluate the universities on a range of indicators, including graduation and retention rates, job placement, and access rate, among others. Two of the 10 performance metrics are "choice metrics"—one selected by the BOG and one selected by each university's Board of Trustees. The 10 metrics pertaining to FIU are depicted in Appendix I. In 2016, the Board of Governors' Performance-Based Funding Model was codified into law under Section 1001.66, F.S., *Florida College System Performance-Based Incentive*.

The Performance Funding Program also has four key components:

1. Institutions will be evaluated on either Excellence or Improvement for each metric.
2. Data is based on one-year data.
3. The benchmarks for Excellence were based on the Board of Governors' 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were determined after reviewing data trends for each metric.
4. The Florida Legislature and Governor determine the amount of new state funding and the amount of institutional funding that would come from each university's recurring state-base appropriation. (See Appendix II – BOG's Performance Funding Allocation.)

Pursuant to section 1001.706(5)(e), Florida Statutes:

> *Each university shall conduct an annual audit to verify that the data submitted pursuant to ss. 1001.7065 and 1001.92 complies with the data definitions established by the board and submit the audits to the Board of Governors Office of Inspector General as part of the annual certification process required by the Board of Governors.*

In addition to the data integrity audit for the Performance-Based Funding Model, universities designated as preeminent or emerging preeminent must conduct a similar audit for the data and metrics used for preeminence status consideration. The BOG permits this audit either to be included with or separate from the Performance-Based Funding Data Integrity audit. We have opted to perform a combined audit.

In 2024, FIU achieved sufficient preeminent metrics to qualify for designation as a preeminent state research university by the authority of Florida Statute 1001.7065. Preeminent status is achieved upon meeting a minimum of 12 of the 13 metrics. A table summarizing the 13 preeminent metrics is included in Appendix I.

OVERALL ASSESSMENT OF INTERNAL CONTROLS

Our overall assessment of internal controls is presented in the table below.

INTERNAL CONTROLS ASSESSMENT			
CRITERIA	**SATISFACTORY**	**OPPORTUNITIES TO IMPROVE**	**INADEQUATE**
Process Controls	X		
Policy & Procedures Compliance	X		
Effect	X		
Information Risk	X		
External Risk	X		

INTERNAL CONTROLS LEGEND			
CRITERIA	**SATISFACTORY**	**OPPORTUNITIES TO IMPROVE**	**INADEQUATE**
Process Controls: Activities established mainly through policies and procedures to ensure that risks are mitigated, and objectives are achieved.	Effective	Opportunities exist to improve effectiveness	Do not exist or are not reliable
Policy & Procedures Compliance: The degree of compliance with process controls – policies and procedures.	Non-compliance issues are minor	Non-compliance issues may be systemic	Non-compliance issues are pervasive, significant, or have severe consequences
Effect: The potential negative impact to the operations- financial, reputational, social, etc.	Not likely to impact operations or program outcomes	Impact on outcomes contained	Negative impact on outcomes
Information Risk: The risk that information upon which a business decision is made is inaccurate.	Information systems are reliable	Data systems are mostly accurate but need to be improved	Systems produce incomplete or inaccurate data which may cause inappropriate financial and operational decisions
External Risk: Risks arising from events outside of the organization's control; e.g., political, legal, social, cybersecurity, economic, environment, etc.	None or low	Potential for damage	Severe risk of damage

FINDINGS AND RECOMMENDATIONS

<div style="border:1px solid #1a2b4a; background:#1a2b4a; color:#fff; text-align:center; font-weight:bold;">Areas Within the Scope of the Audit Tested Without Exception</div>

We have summarized below the areas within the scope of the audit that were tested without exception.

Data Accuracy Testing – Preeminent Metrics

In 2024, the University achieved 12 of the 13 Preeminence metrics, qualifying it for designation as a preeminent state research university. We selected 4 of the 12 metrics achieved for testing—metrics C, D, F, and M. (See Appendix V for a description of the metrics tested on page 16.)

We used the BOG's Preeminent Metrics Methodology Document issued in October 2020 to determine the elements for testing. Based on the document, we tested the accuracy of the data used for the four metrics by obtaining the respective University files and reviewing them against the data in PantherSoft and/or the data maintained by the respective organizations associated with each metric, specifically, the National Science Foundation (NSF).

To verify the expenditures reported for Metrics F and M, we obtained the file of total annual research expenditures, including federal research expenditures, reported on the NSF Higher Education Research and Development Survey. We selected 30 cost centers to ensure the expenditures were: (1) related to research, (2) related to STEM, and/or (3) in agreement with (or less than) the amount reported in PantherSoft Financials. The results of our testing found no exceptions.

The data for Metrics C and D are generated from the SIF Enrollments and RET Retention Cohort Changes files submitted by the University. These files are the same as those used to test the PBF metrics in Finding 1. Similarly, the data elements relevant to Metrics C and D coincide with those tested for the PBF metrics. Refer to the findings and recommendations listed under Finding 1 on page 7.

Data File Submissions and Resubmissions

Our review disclosed that the process used by the Data Administrator provides reasonable assurance that complete, accurate, and timely submissions occurred. We noted no reportable material weaknesses or significant control deficiencies related to data file submissions or resubmissions.

Prior Year IT Controls Audit Recommendation

Recommendation 2.2 from prior year report no. 22/23-06 states:

> *"The Office of the Provost in coordination with Analysis and Information Management should work with the functional units to develop a process to periodically review audit logs for activity that has been established, through issue profile modeling, as peculiar and/or anomalous for the impacted field."*

The recommendation was implemented in January 2024. Our inquiry of management revealed that the Oracle BI tool, which is designed to periodically review audit logs for activity, remains a work in progress. The PantherSoft Development team is currently incorporating additional features and refinements based on management's requests. In the interim, management continues to rely on previously established queries. We will continue to monitor the tool's deployment and perform additional validation procedures during next year's audit.

University Initiatives

We obtained the list of the University initiatives designed to align FIU's operations and practices with the SUS Strategic Plan goals. Our review disclosed that none of the initiatives reported to us appear to have been made for the purpose of artificially inflating performance metric goals. The list of initiatives is included as Appendix III of this report.

1. Data Accuracy Testing – Performance-Based Funding Metrics

This is our eleventh audit of the PBF Metrics since it became effective in 2014. During our first-year audit, we performed data accuracy testing on all ten metrics as requested by the BOG. In subsequent years' audits, since we have consistently deemed internal controls satisfactory, we have taken a risk-based approach and have limited our data accuracy testing to specific metrics and follow-up on any prior year recommendations. Our choice of metrics to audit was based on distinct factors: audit risk, changes to the metric, and the time elapsed since the metric was last audited. For this year's audit, we selected Metrics 4, 5, 9a, and 9b for testing. (See Appendix IV for a description of the metrics tested on page 14.)

The data for Metrics 4, 5, and 9a are generated from the SIF Enrollments, SIFD Degrees Awarded, and RET Retention Cohort Changes files submitted by the University. In addition, the BOG also generates data from the SFA Financial Aid Awards file for Metric 9b. To complete our testing, the BOG's Office of Data & Analytics provided us with the in-scope data elements for each metric subject to our audit testing. (See Appendix IV – In-scope PBF Data Elements on page 14.)

Finding 1.a

Some sampled SIF file data submitted to the BOG does not agree to the data found in the students' PantherSoft records.

Criteria: *Internal Controls*

Impact: *Moderate*

To verify that the data in the SIF file submitted to the BOG was accurate, we judgmentally selected a sample of 30 students from the Fall 2023 Enrollment Table. We compared the data submitted to the BOG to the data found in the students' records in the PantherSoft System for agreement. We verified the 16 elements relevant to Metrics 4, 5, 9a, and 9b and observed the following exceptions, which individually might not have a high rate of occurrence but collectively represent a significant rate of occurrence among our sample of 30 students.

- Three (10%) instances where the reported Office of Postsecondary Education's Identifier did not reflect the student's most recent post-secondary educational training prior to attending FIU as described in the State University Data System (SUDS) coding instructions for Element 01067. The instances were improperly coded as "not attending a previous institution of higher learning" due to an input error, where the student's transcript type was not listed as "Official" in PantherSoft Campus Solutions although an official version of the transcript had been received by the University.

- Two (7%) instances where the year and month of the student's most recent admission or readmission to FIU was inaccurately reported. In one instance, a student was granted an appeal for their first term of enrollment at the University, resulting in the removal of all courses and grades from that term in the student's records. Management explained that the program logic is designed to report the latest term between the student's date of admission and the date of first enrollment. Based on this logic, the student's second term of enrollment was reported instead of the student's most recent admission to the University.

  In the second instance, a readmission date was reported for the selected student despite the student's enrollment status remaining unchanged. Management explained that this was due to exception rules in the program logic. The date reported to the BOG was the beginning of the first semester following the student's graduation from a bachelor's program, during which the student was only enrolled as a non-degree seeking student. Prior to graduation, the student was concurrently enrolled in a bachelor's and a certificate program.

- One (3%) instance where the highest educational degree, certificate, or diploma held by the student was improperly coded. For Element 01112 *Degree - Highest Level Held* the University should report the highest degree, certificate or diploma held by the student at the beginning of the term being reported. Management stated the issue occurred because a student's transcript was not listed as "Official" in PantherSoft Campus Solutions despite an official transcript being received by the University.

- One (3%) instance where the type of student at the time of most recent admission to FIU was incorrectly changed by the program logic in the files submitted to the BOG. Pursuant to the SUDS coding instructions for Element 01413, a student who leaves the institution and returns without any other post-secondary attendance between the admissions should be reported as a beginning freshman 'B' type. We observed that the selected student was reported as a "U – Other Undergraduate Transfer" although the student's records indicate that the student has only attended FIU. Management stated that the

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current program logic does not account for the institution that awarded the Associate in Arts Degree when processing readmission students.

- One (3%) instance where the total credit hours for a student's enrollment in the selected term included courses being audited. SUDS coding instructions for Element 01063 *Current Term Course Load* states courses being audited should be excluded from the total number of credit hours for which a student is enrolled. This discrepancy occurred because the current program logic does not differentiate between audited and credit-bearing courses when calculating total credit hours.

In addition, we verified that the data submitted to the BOG for the relevant elements associated with Metrics 4, 5, 9a, and 9b in the SIFD Degrees Awarded Table, RET Retention Cohort Changes Table, and SFA Financial Aid Awards Table agreed to PantherSoft for a selection of students, without exception.

Recommendations

	The Office of Analysis and Information Management should:
1.1	**Recommendation:** Partner with the Office of Admissions to identify pertinent admissions data that influence PBF program logic and metrics to collectively establish guideposts that the Office of Admissions may then utilize to proactively monitor data input accuracy for critical fields. This may include developing a data literacy training that serves as a reference for relevant staff.
	Management Response/Action Plan: 1. Identify pertinent admissions data that influence PBF program logic and metrics. 2. Work collaboratively to establish best practices for ensuring data input. 3. Create training materials and quiz. 4. Convert training module into FIU Develop Course. Implementation Date: June 20, 2025 Complexity Rating: 3 - Complex

1.2	**Recommendation:** Collaborate with the PantherSoft team to review and update the program logic to ensure accurate reporting of the student's admission/readmission information (year, month, and type of student) and credits for courses being audited.
	Management Response/Action Plan: 1. Credits for courses being audited: DONE 2. PantherSoft will be implementing a logic change for readmits that were initially admitted as B and got an AA degree from FIU to remain B and not U. 3. To address students who graduated and continue to take classes as non-degree, the AIM team will further review associated documentation to determine why logic was put in practice and determine if it remains necessary or should be revised. 4. AIM will seek BOG guidance on how to address scenarios whereby the student's entry date is greater than the date of admission. Particularly, scenarios where there is expungement of first enrolled term. PantherSoft will work on a query to show instances where this misalignment has occurred. AIM will review and address cases and/or logic as needed. Implementation Date: June 20, 2025 Complexity Rating: 3 - Complex

APPENDIX I – FIU'S PERFORMANCE-BASED FUNDING AND PREEMINENT METRICS
(In-scope metrics are shaded)

FIU's Performance-Based Funding Metrics

1.	Percent of Bachelor's Graduates Employed (Earning $40,000+) or Continuing their Education	6.	Bachelor's Degrees Awarded in Areas of Strategic Emphasis
2.	Median Wages of Bachelor's Graduates Employed Full-time	7.	University Access Rate (Percent of Undergraduates with a Pell Grant)
3.	Average Cost to the Student (Net Tuition per 120 Credit Hours)	8.	Graduate Degrees Awarded in Areas of Strategic Emphasis
4.	Four-Year Graduation Rate (Full-time, First-Time-In-College)	9a.	BOG Choice – Three-Year Graduation Rate for Florida College System Associate in Arts Transfer Students
		9b.	BOG Choice – Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year
5.	Academic Progress Rate (2nd Year Retention with GPA above 2.0)	10.	Board of Trustees' Choice – Number of Post-Doctoral Appointees

FIU's Preeminent Metrics

A.	Average GPA and SAT/ACT Score	H.	National Ranking in Research Expenditures
B.	Public University National Ranking	I.	Patents Awarded (over a 3-year period)
C.	Freshman Retention Rate (Full-Time, First-Time-In-College)	J.	Doctoral Degrees Awarded Annually
D.	Four-Year Graduation Rate (Full-Time, First-Time-In-College)	K.	Number of Post-Doctoral Appointees
E.	National Academy Memberships	L.	Endowment Size
F.	Total Annual Research Expenditures	M.	Total Annual Research Expenditures (Science & Engineering only)
G.	Total Amount R&D Expenditures in Non-Health Sciences		

APPENDIX II – BOG'S PERFORMANCE FUNDING ALLOCATION

	Florida Board of Governors Performance Funding Allocation 2023-2024[1]			
	Normalized Score	**Institutional Investment Allocation**	**Final State Investment Allocation**[2]	**Total Performance Funding Allocation**
FAMU	72	$12,958,355	$15,374,319	$28,332,674
FAU	84	20,420,136	24,227,280	44,647,416
FGCU	63	12,954,090	5,369,260	28,323,350
FIU	**96**	**32,246,416**	**38,258,459**	**70,504,875**
FL Poly	74	4,905,634	5,820,244	10,725,878
FSU	89	49,357,172	58,559,357	107,916,529
NCF	71	4,330,272	5,137,611	9,467,883
UCF	85	33,374,448	39,596,803	72,971,251
UF	92	60,519,490	71,802,784	132,322,274
UNF	76	14,474,494	17,173,129	31,647,623
USF	89	38,678,875	45,890,191	84,569,066
UWF	84	10,780,618	12,790,563	23,571,181
Totals		**$295,000,000**	**$350,000,000**	**$645,000,000**

Source: BOG

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[1] The amount of state investment is appropriated by the Legislature and Governor. A prorated amount is deducted from each university's base recurring state appropriation (Institutional Investment) and is reallocated to each institution based on the results of the performance-based funding metrics (State Investment).

[2] Top three institutions (including ties) receive 100% of their allocation of the state investment. Universities with the same or higher score as the previous year receive 100% of their allocation of the state investment. If a university's score decreases for two consecutive years, the university may receive up to 100% of their allocation of the state investment after presenting/completing a student success plan.

APPENDIX III – UNIVERSITY INITIATIVES

List of the University initiatives designed to align FIU's operations and practices with the SUS Strategic Plan goals.

- Over the past four semesters, with support of Department of Education grant funding, the student success team reached out to over 1,500 students who previously stopped out from the University with over 90 credits earned and at least a 2.0 GPA.[3]
- Implemented an Educational and General Revenue Reallocation Model.
- Implemented a Faculty Reallocation Model for strategic faculty hiring.
- Provided significantly greater access to on-demand analytics relevant to the metrics.
- Leveraged student level graduation benchmarking to inform outreach interventions and course demand.
- Integrated career and academic advising.
- Engaged in skills mapping with Lightcast to align programs' curricula to industry-sought skills.
- Continuous strategic enrollment planning via Noel Levitz.
- Continued to expand and refine scholarship, merit, and emergency aid programs to best serve our incoming and current students.
- Expanded and improved communication to students regarding information related to enrollment, financial aid, and student financials.
- Implemented centralized controls with local deployment and execution for student recruitment efforts.
- Expanded centralized retention, graduation, and student success outreach.
- Expanded the variety of predictive indicators used in models to inform student success outreach and strategy, targeting additional populations of students who may be at-risk for attrition or delayed graduation.
- Expanded efforts to reduce course scheduling-related barriers to student progression to graduation.
  - Increased access to actionable data related to course demand and offerings.
  - Implemented/expanded best practices related to course scheduling for student success.
- Engaged in efforts to establish more competitive doctoral student support and expanding funding for doctoral student support.
- Held regular meetings with college leadership to discuss their student success goals, areas of opportunity, and strategies for improvement.

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[3] A stop out student is a student who temporarily withdraws from a college or university, with the intention of returning at a later time.

APPENDIX IV – IN-SCOPE PBF DATA ELEMENTS

No.	Metric	Definition	Submission/Table/Element Information	Relevant Submission(s)
4	**Four Year First-Time-In-College (FTIC) Graduation Rate**	This metric is based on the percentage FTIC students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and had graduated from the same institution by the summer term of their fourth year. FTIC includes 'early admit' students who were admitted as a degree-seeking student prior to high school graduation. Students who were enrolled in advanced graduate programs during their 4th year were excluded.	**Submission:** SIF **Table:** Enrollments **Elements:** 01063 – Current Term Course Load 01067 – Last Institution Code 01068 – Type of Student at Date of Entry 01060 – Student Classification Level 01112 – Degree - Highest Level Held 01107 – Fee Classification Kind 01420 – Date of Most Recent Admission 01413 – Type of Student at Time of Most Recent Admission 01411 – Institution Granting Highest Degree 02001 – Reporting Time Frame 01095 – University Identifier **Submission:** SIFD **Table:** Degrees Awarded **Elements:** 01081 – Degree – Level Granted 01412 – Term Degree Granted 01095 – University Identifier **Submission:** RET **Table:** Ret_Cohort_Chgs **Elements:** 01429 – Cohort Type 01465 – Student-Right-to-Know (SRK) Flag 01442 – Cohort Adjustment Flag 01095 – University Identifier 02001 – Reporting Time Frame 01458 – FTIC Full-Time Indicator-Entering Term	Summer 2023 Fall 2023 Spring 2024 Summer 2024 Fall 2024* *Out of term/Late Degrees Summer 2023 Fall 2023 Spring 2024 Annual 2022-2023

No.	Metric	Definition	Submission/Table/Element Information	Relevant Submission(s)
5	**Academic Progress Rate** 2nd Year Retention with GPA Above 2.0	This metric is based on the percentage of FTIC students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and were still enrolled in the same institution during the next Fall term with a grade point average of at least 2.0 at the end of their first year (Fall, Spring, Summer).	Same as No. 4 above, plus: **Submission:** SIF **Table:** Enrollments **Elements:** 01085 – Institutional Hours for GPA 01086 – Total Institutional Hours Grade Points 01088 – Term Credit Hours for GPA 01089 – Term Credit Hours Earned 01090 – Term Grade Points Earned	Same as No. 4 above, plus: Fall 2023
9a	**Three-Year Graduation Rate for FCS Associate in Arts Transfer Student**	This transfer cohort is defined as undergraduates entering in fall term (or summer continuing to fall) from the Florida College System with an Associate in Arts degree. The rate is the percentage of the initial cohort that has either graduated from the same institution by the summer term of their third academic year. Both full-time and part-time students are used in the calculation. Students who were flagged as enrolled in advanced graduate programs that would not earn a bachelor's degree are excluded.	Same as No. 4 above.	Same as No. 4 above.
9b	**Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year**	This metric is based on the percentage of students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time or part-time in their first semester and who received a Pell Grant during their first year and who graduated from the same institution by the summer term of their sixth year. Students who were flagged as enrolled in advanced graduate programs that would not earn a bachelor's degree were excluded.	Same as No. 5 above, plus: **Submission:** SFA **Table:** Financial Aid Awards **Elements:** 01253 – Financial Aid Award Program Identifier 02040 – Award Payment Term 02001 – Reporting Time Frame 01095 – University Identifier	Same as No. 5 above, plus: Annual 2022-2023

Definition Source: BOG Performance-Based Funding 2024 Metric Definitions

APPENDIX V – IN-SCOPE PREEMINENT METRICS

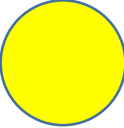|	Metric	Definition
C.	Freshman Retention Rate	A freshman retention rate of 90 percent or higher for full-time, first-time-in-college students.
D.	Four-Year Graduation Rate	A four-year graduation rate of 60 percent or higher for full-time, first-time-in-college students.
F.	Total Research Expenditures ($M)[4]	Total annual research expenditures, including federal research expenditures, of $200 million or more.
M.	Science & Engineering Research Expenditures ($M)[5]	Total annual STEM-related research expenditures, including federal research expenditures, of $50 million or more.

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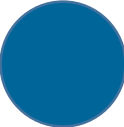
[4] Pursuant to the BOG approved 2024 Accountability Plan for FIU, "This metric has been revised to include both Science & Engineering and non-Science & Engineering research expenditures to align with section 1001.7065, Florida Statutes."

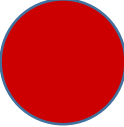[5] Pursuant to the BOG approved 2024 Accountability Plan for FIU, "This metric has been added to align with changes in section 1001.7065, Florida Statutes from the 2023 legislative session."

APPENDIX VI – IMPACT RATINGS LEGEND

Impact Rating	Description
Severe	Immediate intervention required. Critical risks that could lead to significant financial loss, regulatory sanctions, or irreparable harm to the organization. Threatens the integrity of operations or financial reporting.
Significant	High priority for resolution. Risks that could result in serious issues if not addressed in a timely manner. May lead to considerable financial implications or regulatory concerns.
Moderate	Requires attention within a reasonable timeframe. Risks that have a noticeable but not catastrophic impact on operations or finances. Could lead to inefficiencies or minor financial losses if not addressed.
Limited	Not of urgent priority. Does not pose an immediate threat to operations or finances but require attention, nonetheless. The impact on the organization is limited; primarily related to process improvements or leading practices.

APPENDIX VII – COMPLEXITY RATINGS LEGEND

Legend: Estimated Time of Completion	
🟢	Estimated completion date of less than 30 days.
🟡	Estimated completion date between 30 to 90 days.
🔵	Estimated completion date between 91 to 180 days.
🟠	Estimated completion date between 181 to 360 days.
🔴	Estimated completion date of more than 360 days.

Legend: Complexity of Corrective Action	
1	**Routine:** Corrective action is believed to be uncomplicated, requiring modest adjustment to a process or practice.
2	**Moderate:** Corrective action is believed to be more than routine. Actions involved are more than normal and might involve the development of policies and procedures.
3	**Complex:** Corrective action is believed to be intricate. The solution might require an involved, complicated, and interconnected process stretching across multiple units and/or functions; may necessitate building new infrastructures or materially modifying existing ones.
4	**Exceptional:** Corrective action is believed to be complex, as well as having extraordinary budgetary and operational challenges.

*The first rating symbol reflects the initial assessment based on the implementation date reported by Management, while the second rating symbol reflects the current assessment based on existing conditions and auditor's judgment.

APPENDIX VIII – STAFF ACKNOWLEDGEMENT AND OIA CONTACTS

Contributors to the report:

The following staff contributed to the audit in the designated roles:

- Leslie-Anne Triana — Auditor in Charge
- Vivian Gonzalez — Supervisor and Reviewer
- Natalie San Martin — Independent Reviewer

Contact us:

auditors@fiu.edu

(305) 348-2107

Find past audit reports on our website at oia.fiu.edu.

Report fraud, waste, and abuse at compliance.fiu.edu/hotline/ or auditors@fiu.edu.

Report a whistle-blower complaint to the OIA in writing at auditors@fiu.edu or call us at (305) 348-2107.

Definition of Internal Auditing

Internal auditing is an independent, objective assurance and advisory service designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

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Data Integrity Certification
March 2025

In accordance with Board of Governors Regulation 5.001(8), university presidents and boards of trustees are to review, accept, and use the annual data integrity audit to verify the data submitted for implementing the Performance-based Funding model complies with the data definitions established by the Board of Governors.

Given the importance of submitting accurate and reliable data, boards of trustees for those universities designated as preeminent or emerging preeminent are also asked to review, accept, and use the annual data integrity audit of those metrics to verify the data submitted complies with the data definitions established by the Board of Governors.

Applicable Board of Governors Regulations and Florida Statutes: Regulations 1.001(3)(f), 3.007, and 5.001; Sections 1001.706(5)(e), 1001.7065, and 1001.92, Florida Statutes.

Instructions: To complete this certification, university presidents and boards of trustees are to review each representation in the section below and confirm compliance by signing in the appropriate spaces provided at the bottom of the form. Should there be an exception to any of the representations, please describe the exception in the space provided.

Once completed and signed, convert the document to a PDF and ensure it is ADA compliant. Then submit it via the Chief Audit Executives Reports System (CAERS) by the **close of business on March 1, 2025**.

University Name: Florida International University

Data Integrity Certification Representations:

1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance-based Funding decision-making and Preeminence or Emerging-preeminence Status.

2. In accordance with Board of Governors Regulation 1.001(3)(f), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.

3. In accordance with Board of Governors Regulation 3.007, my university provided accurate data to the Board of Governors Office.

4. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors. The due diligence includes performing tests on the file using applications, processes, and data definitions provided by the Board Office. A written explanation of any identified critical errors was included with the file submission.

5. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.

6. I am responsible for taking timely and appropriate preventive/ corrective actions for deficiencies noted through reviews, audits, and investigations.

7. I recognize that Board of Governors' and statutory requirements for the use of data related to the Performance-based Funding initiative and Preeminence or Emerging-preeminence status consideration will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting data used for these purposes have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating the related metrics.

8. I certify that I agreed to the scope of work for the Performance-based Funding Data Integrity Audit and the Preeminence or Emerging-preeminence Data Integrity Audit (if applicable) conducted by my chief audit executive.

9. In accordance with section 1001.706, Florida Statutes, I certify that the audit conducted verified that the data submitted pursuant to sections 1001.7065 and 1001.92, Florida Statutes [regarding Preeminence and Performance-based Funding, respectively], complies with the data definitions established by the Board of Governors.

Exceptions to Note: Click or tap here to enter text.

Data Integrity Certification Representations, Signatures:

I certify that all information provided as part of the Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: _____   Date: _1- 31 -2025_
University President

I certify that this Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____   Date: _____
University Board of Trustees Chair

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FIU | Board of Trustees

February 13, 2025

Subject: Office of Internal Audit External Quality Assurance Review, November 2024

Proposed Action:

Florida International University Board of Trustees approval of the independent assessor's report, Office of Internal Audit External Quality Assurance Review, November 2024.

Background information:

Florida Board of Governors Regulation 4.002 State University System Chief Audit Executives (6)(e) states, in relevant part, that the chief audit executive must develop and maintain a quality assurance and improvement program in accordance with professional audit standards. This program must include an external assessment conducted at least once every five (5) years. The external assessment report and any related improvement plans shall be presented to the board of trustees, with a copy provided to the Board of Governors.

The external assessment was performed subsequent to an internal self-assessment, which is included as an appendix in the independent validator's report, as well as a corrective action plan.

Supporting Documentation: Office of Internal Audit External Quality Assurance
                                     Review, November 2024

Facilitator/Presenter: Trevor L. Williams

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Office of Internal Audit
External Quality Assurance Review

November 2024

![FIU Office of Internal Audit — Florida International University](logo)

DATE: January 22, 2025

TO: Alan Gonzalez, Audit and Compliance Committee Chair
               FIU Board of Trustees
               Kenneth A. Jessell, University President

FROM: Trevor L. Williams, Chief Audit Executive

**SUBJECT: Office of Internal Audit External Quality Assurance Review –
               November 2024**

The Office of Internal Audit is required to undergo an external quality assurance review (QAR) at least every five years. A team of independent external reviewers was engaged to complete an external QAR of the Office of Internal Audit to assess the Office's conformance with The Institute of Internal Auditors' (IIA) *International Standards for the Professional Practice of Internal Auditing* ("Standards") and Code of Ethics. The review also sought to identify opportunities to enhance the Office's operations with recommended best practices.

The IIA has provided two different approaches, without prejudice or preference, which audit departments could employ to satisfy this requirement, having a full external assessment completed or allowing audit departments to perform an internal self-assessment with validation by an independent external assessor or team of assessors. We selected the internal self-assessment with external validation model for this review engagement. It is much less costly and has the same recognition, validity, and usefulness, as does a full external assessment.

The independent external reviewers performed their review of the Office's internal auditing function during the months of October and November 2024, and issued their final report in December 2024. The report concluded that the FIU Office of Internal Audit "**Generally Conforms**," with the IIA's Standards and Code of Ethics—the highest of three possible ratings that can be achieved. The report further noted that the Office of Internal Audit is regarded as a highly professional and valuable function at FIU, an acknowledgment of which we are very proud of. The reviewers also offered a few recommended best practices as opportunities for enhancement. In response to the recommendations, we have developed an action plan to address the matters noted. The final external QAR report and action plan are attached for your review and approval.

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Review of the Independent Validation of the Quality Self-Assessment of the Florida International University Office of Internal Audit

November 2024

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November 2024

Mr. Trevor Williams, Chief Audit Executive
Florida International University

In August 2024, the Florida International University (FIU) Office of Internal Audit (OIA) completed a self-assessment of internal audit activities in accordance with guidelines published by the Institute of Internal Auditors (IIA) for the performance of a quality assessment review (QAR). The OIA engaged us as an independent review team of internal audit professionals with extensive higher education experience to perform an independent validation of their QAR self-assessment. We appreciate the opportunity to provide the insight and engagement results in the report which follows.

The primary objective of the validation was to verify the assertions made in the QAR self-assessment report concerning OIA's conformity to the IIA *International Standards for the Professional Practice of Internal Auditing* (Standards) and Code of Ethics. The review covered the internal audit activities of the OIA during the period between July 1, 2019, and June 30, 2024. Our independent validation followed the guidance contained in the IIA *Quality Assessment Manual for the Internal Audit Activity* (Quality Assessment Manual), 2017 edition.

We addressed the objective through review of the self-assessment report and supporting documents prepared and made available to us by the OIA; review of the OIA work papers and periodic quality assurance and improvement program (QAIP) results; and interviews of selected OIA stakeholders and OIA staff members. These activities were performed between August and October 2024.

Based on our independent validation of the QAR performed by the OIA, we agree with the overall conclusion that the FIU internal audit function **"Generally Conforms"** with the IIA Standards and Code of Ethics. Additionally, we noted that OIA is regarded as a highly professional and valuable function at FIU, indicating that the team is accomplishing its mission. In our review we noted strengths as well as opportunities for enhancing the internal audit function, as outlined in the report.

We appreciate the cooperation and assistance provided to us throughout the course of our review by the members of the OIA and the FIU community.

Very truly yours,

Agnessa Vartanova	**Reuben Iyamu**	**Glenn Murray**
CPA, CIA, CISA, CFE, CRMA	CIA, CFE, CIGA, CIG	CPA, CIA, CISA
Associate Vice President	Inspector General	Director of Audit
Department of Internal Audit	Office of Inspector General	Audit and Advisory Services
University of Colorado	Florida Atlantic University	University of South Carolina

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Background

The IIA Standards require that an external QAR of an internal audit activity is conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The qualified assessor or assessment team must demonstrate competence in both the professional practice of internal auditing and the QAR process. The QAR can be accomplished through a full external assessment or a self-assessment with independent validation.

At the request of the FIU Chief Audit Executive (CAE), we conducted an independent validation of the OIA self-assessment of conformance with the IIA Standards and Code of Ethics. The primary objective of the validation was to verify the assertions noted in the attached self-assessment report concerning adequate fulfillment of the organization's expectation of the internal audit activity and its conformity to the IIA Standards.

The principal objectives of the independent validation included:

- Assessment of current internal audit activities in relation to the IIA Standards and Code of Ethics.

- Evaluation of OIA's effectiveness in carrying out its mission (as set forth in its charter and expressed in the expectations of management and the Audit and Compliance Committee of the FIU Board of Trustees).

- Identification of opportunities to enhance the internal audit function.

The independent validation included the following procedures:

- Interviews with stakeholders of the internal audit function, including the President and other members of the FIU leadership team, the chair and the immediate past chair of the Audit and Compliance Committee, and OIA personnel.

- Review of the self-assessment report, supporting documentation, and a sample of OIA work papers related to fiscal years 2022, 2023, and 2024.

We performed our work in August-October 2024.

Conclusions of the Independent Review Team

Based on our independent validation of the QAR performed by OIA, it is our overall opinion that the internal audit function **"Generally conforms"** with the IIA Standards and Code of Ethics. The IIA *Quality Assessment Manual* suggests a scale of three ratings:

- **"Generally conforms"** is the top rating and means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the IIA Standards.

- **"Partially conforms"** means deficiencies in practice are judged to deviate from the *Standards*, but these deficiencies did not preclude the Internal Audit activity from performing its responsibilities in an acceptable manner.

- **"Does not conform"** means deficiencies are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

In our review we noted strengths as well as opportunities for enhancing the internal audit function and processes that affect the OIA effectiveness.

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Observations

Strengths and Leading Practices

During our review we noted several strengths, including the following:

- **Reputation and professionalism of OIA** – OIA is consistently referred to by leadership as a trusted advisor, a helpful provider of education, and a facilitator of strong risk management practices across campus. OIA is included in key leadership conversations and is viewed as an integral part of FIU and its ability to achieve its strategic goals. OIA team members are highly experienced and possess relevant professional certifications.

- **Impactful audits and collaboration with leadership** – OIA's work is perceived as valuable, timely, and relevant to the achievement of the FIU objectives. All stakeholders interviewed commented on the comprehensive university-wide risk assessment conducted by the CAE and agreed that the OIA annual plan addresses appropriate areas of risk and supports FIU's objectives. Interviewees also noted that OIA provides actionable recommendations to improve processes and controls across campus. The Trustees and FIU leadership are highly supportive of OIA and committed to enacting recommended changes.

- **Team morale and engagement** – The OIA team is engaged, excited, and highly motivated to provide quality work and add value to FIU. There appears to be a high level of collaboration, idea-sharing, and camaraderie among team members. One staff member called it a "wonderful, cohesive teamwork environment with opportunities to learn and grow." Interviewed leadership consistently commented that the team is professional, collaborative, and generally competent.

- **Follow up process** – OIA developed a platform to track the status of management action plans (MAPs) and validate their implementation. This platform has improved process effectiveness through accountability, stakeholder engagement, and ease of use. Several interviewees also shared positive comments on the existing methodology for risk rating the findings and the complexity associated with the MAP implementation.

For a further sense of positive feedback from stakeholder interviews, see Appendix G for key words captured.

> OIA stays abreast of changes and emerging risks. They take time to understand the stakeholders' needs.

> The Internal Audit plan is aligned to FIU's objectives. It is strategic in nature. The reports are well-structured, transparent, and easy to follow.

> The Internal Audit practice has flourished [under the current CAE leadership] and is advanced, welcoming, and brings a broader perspective.

> [The OIA team member] is outstanding and we are a better unit because of her recommendations!

> FIU's OIA is top notch! They are dedicated, ethical, collaborative, and I have great confidence in them.

Opportunities for Enhancement

The review team agrees with the IIA Standards assessment and opportunities for enhancement identified in the OIA August 2024 self-assessment report, included in **Appendix B**. Additionally, we offer the following observations and recommendations to continue to build on OIA's strong performance:

- **OIA Governance Documents** – to remain in compliance with the professional expectations, the OIA Charter and the OIA Operations Manual (Manual) should be updated for the newly released IIA Global Internal Audit Standards. Specifically, we recommend the clarification of the OIA mandate, as required by Standard 6.1 Internal Audit Mandate, and references to additional CAE responsibilities. Additionally, we recommend considering the use of "should" vs. "will" throughout the Manual to strengthen expectations and add precision to the delineation of responsibilities.

- **Audit Process** – although the OIA audit process is well-established and consistently executed, there is an opportunity for the team to be mindful of "scope creep," which may negatively impact project timelines and stakeholder experience. Additionally, several interviewees shared occasional lack of pragmaticism in audit findings, which may be driven by the auditors' lack of understanding for the FIU business model, processes, or existing risk versus investment in implementation of management action plans. Specifically, there seems to be an interest in bifurcating compliance violations, which could potentially result in a tangible risk to the university, from best practices which, if implemented, help to further strengthen the internal control environment. That said, several interviewees noted a positive change with the implementation of the MAP complexity scale, which more clearly highlights the effort required to address the risk noted by the auditors. We encourage the CAE to continue to invest in the team's understanding of higher education and FIU business processes, consistently evaluate the risk to the operational objectives of the finding versus the complexity and cost of MAP implementation, and consider additional engagements instead of expanding the scope of projects underway.

- **Succession Planning** – all interviewees spoke highly of the competence, presence, and the collaborative partnership that they have with the CAE. With that, several interviewees reflected on the potential opportunity to invest in the professional development of the staff by including them in annual risk assessment and other periodic meetings with leadership. The review team also suggests assigning to staff specific tasks related to the audit plan development in the spirit of professional growth.

- **OIA Marketing and Promotion** – the review team would like to encourage OIA to continue to communicate with the FIU community their role in the organization. Whether through newsletters, training, road shows, or partnering with other critical business operational areas, there is an opportunity to continue to articulate the positive impacts internal audit has on accomplishment of organizational objectives and improvement of strength of the internal control environment.

Appendix A: IIA Standards Rating

Overall Evaluation		IIA Standards Rating		
Standard		Generally Conforms	Partially Conforms	Does Not Conform
Attribute Standards (1000 through 1300)				
1000	**Purpose, Authority, and Responsibility**	**X**		
1010	Recognizing Mandatory Guidance in the Internal Audit Charter	X		
1100	**Independence and Objectivity**	**X**		
1110	Organizational Independence	X		
1111	Direct Interaction with the Board	X		
1112	Chief Audit Executive Roles Beyond Internal Auditing	X		
1120	Individual Objectivity	X		
1130	Impairment to Independence or Objectivity	X		
1200	**Proficiency and Due Professional Care**	**X**		
1210	Proficiency	X		
1220	Due Professional Care	X		
1230	Continuing Professional Education	X		
1300	**Quality Assurance and Improvement Program**	**X**		
1310	Requirements of the Quality Assurance and Improvement Program	X		
1311	Internal Assessments	X		
1312	External Assessments	X		
1320	Reporting on the Quality Assurance and Improvement Program	X		
1321	Use of "Conforms with the International Standards for the Professional Practice of Internal Auditing"	X		
1322	Disclosure of Nonconformance	X		
Performance Standards (2000 through 2600)				
2000	**Managing the Internal Audit Activity**	**X**		
2010	Planning	X		
2020	Communication and Approval	X		
2030	Resource Management	X		
2040	Policies and Procedures	X		
2050	Coordination and Reliance	X		
2060	Reporting to Senior Management and the Board	X		
2070	External Service Provider and Organizational Responsibility for Internal Auditing	X		
2100	**Nature of Work**	**X**		
2110	Governance	X		

Overall Evaluation		IIA Standards Rating		
	Standard	**Generally Conforms**	**Partially Conforms**	**Does Not Conform**
2120	Risk Management	X		
2130	Control	X		
2200	**Engagement Planning**	**X**		
2201	Planning Considerations	X		
2210	Engagement Objectives	X		
2220	Engagement Scope	X		
2230	Engagement Resource Allocation	X		
2240	Engagement Work Program	X		
2300	**Performing the Engagement**	**X**		
2310	Identifying Information	X		
2320	Analysis and Evaluation	X		
2330	Documenting Information	X		
2340	Engagement Supervision	X		
2400	**Communicating Results**	**X**		
2410	Criteria for Communicating	X		
2420	Quality of Communications	X		
2421	Errors and Omissions	X		
2430	Use of "Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing"	X		
2431	Engagement Disclosure of Nonconformance	X		
2440	Disseminating Results	X		
2450	Overall Opinions	X		
2500	**Monitoring Progress**	**X**		
2600	**Communicating the Acceptance of Risks**	**X**		
	Code of Ethics			
	Code of Ethics	X		

Appendix B: Excerpts from the OIA Quality Self-Assessment Report

FIU | Office of Internal Audit

Date: August 20, 2024

To: Members of the Florida International University Board of Trustees
Kenneth A. Jessell, University President

From: Trevor L. Williams, Chief Audit Executive

Subject: Quality Assurance and Improvement Program Review – Internal Assessment 2024

The Institute of Internal Auditors' International Professional Practice Framework (IPPF) requires the Chief Audit Executive to implement and maintain a Quality Assurance Improvement Program (QAIP) for the audit activity. The Office of Internal Audit (OIA) has implemented a QAIP, which includes the completion of an independent, external quality assessment review (QAR) every five years and ongoing monitoring of the audit activity, as required by the IPPF. An independent, external QAR of the OIA audit activity is scheduled to be completed in December 2024, five years after the Office's last QAR, wherein the Office received a rating of "generally conforms," the highest rating that can be achieved. The Office's quality assurance monitoring activity includes a detailed review of the working papers and report for each engagement completed. This review is completed by multiple levels of OIA's staff. The Office's monitoring activity also include a periodic internal assessment of the Office's compliance with its standards for engagement quality, operating procedures, and charter.

In July and August 2024, a senior staff member of the OIA completed an internal quality assessment of the Office's internal audit activity and concluded that the OIA generally conforms with The Institute of Internal Auditors *Standards* and Code of Ethics. The reviewer also offered several recommendations, which she believed could enhance certain operational matters. I have developed a plan of actions to address all recommendations offered.

As recommended by the IPPF, I am providing you with the complete internal self-assessment report, with my corrective action plans included, to the Board of Trustees and senior management for your review.

Attachment – Office of Internal Audit Internal Self-Assessment 2024

C: Elizabeth M. Béjar, Provost, Executive Vice President, and Chief Operating Officer
Aime Martinez, Chief Financial Officer and Vice President for Finance and Administration
Javier I. Marques, Vice President for Operations & Safety and Chief of Staff, Office of the President

![FIU | Office of Internal Audit]

Date: August 19, 2024

To: Trevor L. Williams, Chief Audit Executive

From: Vivian F. Gonzalez, Assistant Audit Director

Subject: Internal Self-Assessment 2024

According to the University's Office of Internal Audit (OIA) Policy & Charter ("Charter"), audit engagements conducted by the OIA must adhere to the International Professional Practice Framework published by The Institute of Internal Auditors (IIA). The Charter also mandates that the Chief Audit Executive (CAE) establish and maintain a quality assurance and improvement program (QAIP) for the OIA. This program requires periodic internal assessments and independent external assessments to ensure compliance with IIA standards, with these external reviews occurring at least once every five years.

Accordingly, I conducted an internal self-assessment of the OIA in accordance with the IIA's latest Quality Assessment Manual for the Internal Audit Activity. This self-assessment took place between July and August 2024.

Based upon this review, I have concluded that the OIA "Generally Conforms" with the *Standards* and Code of Ethics. This means that the relevant structures, policies, and procedures of the OIA, as well as the processes by which they are applied, comply with the requirements of the individual standards or elements of the Code of Ethics in all material respects. An Evaluation Summary, which summarizes the results of my review, and Rating Definition can be found in Appendix A.

In addition to determining whether the activities of the OIA comply with the *Standards* and Code of Ethics, the quality assurance review process seeks to identify areas for continuous improvement. To that end, through the self-assessment, I have identified successful internal audit practices employed in our Office and opportunities for operational improvement.

OBJECTIVES, SCOPE, AND METHODOLOGY

The OIA performed a periodic internal assessment of its internal audit activity. The primary objective of the assessment was to assess the OIA's conformance with the *Standards*. Additional objectives included identifying opportunities for continuous improvement to enhance the department's internal audit function.

The periodic internal self-assessment concluded on August 15, 2024, and provided senior management with information about the OIA. The *Standards* and the Code of Ethics in place and effective as of January 1, 2017, is the basis for the assessment.

I performed the following tasks during the periodic internal assessment:

- confirmed the review of the Code of Ethics by all OIA staff.
- confirmed that all OIA staff met the IIA and/or OIA minimum Continuing Professional Education (CPE) requirements (for unlicensed staff).
- reviewed a sample of three engagements and their associated workpapers and reports.
- reviewed relevant processes of the OIA activity along with administrative and supporting documentation, policies, and procedures, and other relevant documents.
- compared the OIA's practices to the requirements of the *Standards*.

SUMMARY OF OBSERVATIONS & CORRECTIVE ACTION PLANS

Our evaluation did not identify any gaps to conformance with the *Standards* or the Code of Ethics or areas for continuous improvements. However, we did identify areas for operational improvements.

The observations of the periodic internal assessment are summarized as **Operational Improvements** – Ideas that could enhance the department's efforts toward maintaining an efficient and effective internal auditing function. The observations are followed by management's correction action plan.

We observed that all OIA professional staff confirmed an annual review of the Code of Ethics and confirmed their general independence, the last one completed in April 2024.

All employees met the requirements to align with Standard 1230 – Continuous Professional Development. For those with licenses, we ensured they completed the required credits for their license. However, 2 out of 10 employees did not meet departmental requirements per the OIA *Operations Manual*, which mandate 40 hours of continuing professional education for all staff.

The OIA *Operations Manual* was updated in May 2023 and distributed to all OIA staff for review on June 13, 2023. Additionally, a 'work-in-progress' version of the Manual is continuously available to OIA staff, allowing for ongoing revisions as necessary.

Summary of Operational Improvements

The following observations are intended to assist the Office of Internal Audit in maintaining an efficient and effective internal audit function.

- **Proficiency** - The *Standards* require that internal auditors must possess knowledge, skills, and other competencies needed to perform their individual responsibilities. (Standard 1210)

  The OIA has a very good understanding of the appropriate governance structure. However, currently, there are new auditors on staff who have opportunity to grow in their understanding of institutional knowledge. Ensure new auditors receive broad exposure to University operations in order to enhance their institutional knowledge.

  Corrective Action Plan

  When planning our engagements, care is taken to match the skills and experience of the team member(s) with the knowledge required for the subject matter being audited or advised on. Along with rotating assignments among staff, having all staff participate in each engagement's brainstorming and post-audit meetings, as

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well as the office's monthly staff meetings will provide more opportunities for staff to broaden their exposure to University operations. This is an ongoing effort.

- **External Assessment** - The *Standards* require that the CAE discuss with the board the form and frequency of external assessment. (Standard 1312)

  The CAE has discussions with senior management and the Board of Trustees regarding the frequency and type of external assessments required. To enhance transparency, explicitly listing the scheduled external Quality Assurance Review (QAR) in the OIA's multi-year audit plan and risk assessment would provide the Board and management with clearer visibility of upcoming assessments.

  Corrective Action Plan

  Although I have kept senior management and the Board of Trustees informed about the timing, performance, and outcome of the five-year external quality assurance review, I will add the review to the five-year audit plan as a distinct project. This will be reflected on the revised plan for Fiscal Years 2025-2029 and thereafter.

- **Engagement Planning** - The *Standards* require that internal auditors develop and document a plan for each engagement. In addition, the internal audit policies and procedures manual may include templates related to planning the engagement that could demonstrate conformance to the *Standards*. (Standard 2200)

  The OIA has developed various templates and forms for assurance engagements. However, there is an opportunity to create standardized templates and forms for advisory engagements, similar to those used for assurance engagements.

  Corrective Action Plan

  I will review the requirements and OIA operational guidance pertaining to advisory engagement and will create standardized templates and forms for such engagements, accordingly.

- **Performing the Engagement** - The *Standards* require that internal auditors identify, evaluate, analyze, and document sufficient information to achieve the engagement's objectives. (Standard 2300)

  All workpapers include a description of the conclusions and opinions reached. To further ensure that the engagement objectives were met, post-engagement surveys or other feedback mechanisms could be used to gather confirmation from the auditees' perspective.

Corrective Action Plan

The May 2023 revision of the OIA *Operations Manual* incorporated an avenue for soliciting client feedback via a post-engagement survey. The survey tool was being developed. However, being aware that the office would be undergoing an independent, external quality assurance review in 2024 that include surveying our engagement clients, I deferred the implementation of the post-engagement survey to the engagements that are on the 2025 fiscal year plan. Post-engagement surveys will be sent for engagements that are completed during Fiscal Year 2025.

- **Quality of Communications** - The *Standards* state that communications must be accurate, objective, clear, concise, constructive, complete, and timely. (Standard 2200)

The reports adhere to these standards, ensuring that observations and recommendations are presented with accuracy, clarity, and objectivity. Additionally, the reports organize observations and recommendations by significance and assess the complexity of their implementation. However, further improvement could be made by also rating each observation for its criticality and urgency.

Corrective Action Plan

Our audit reports have evolved over the years toward providing context to the observations reported. Going forward, our audit reports will not only rate the criticality and urgency of recommendations but of findings, too. We will implement this with our audit reports that are completed in Fiscal Year 2025.

Appendix C: Work Performed by the Independent Assessment Team

In completing the review, the independent review team:

- Conducted interviews with 28 individuals from positions across FIU (see list in Appendix D) to understand their perspectives of the current internal audit function in relation to strategic goals, major initiatives, and challenges.

- Reviewed documentation, including:

  - OIA charter
  - Organizational charts
  - Recent annual audit plans
  - Recent annual risk assessments
  - Departmental policies and procedures
  - Staff training plans and qualifications
  - Reports to the Audit and Compliance Committee
  - Sample internal audit reports
  - Quality assurance and improvement plan (QAIP) documentation
  - QAR program guides
  - Work papers for OIA projects performed during the past three fiscal years

- Considered the current internal audit function in relation to the IIA Standards in the areas of:

  - Structure and reporting relationships
  - Roles and responsibilities
  - Degree of independence and objectivity
  - Education, training, qualifications, and experience of personnel
  - Management of the OIA
  - Quality of the OIA deliverables

- Assessed additional materials, as necessary, to further validate the self-assessment completed.

Appendix D: Interviews Conducted

Audit and Compliance Committee

Alan Gonzalez, Trustee, Audit and Compliance Committee Chair (immediate past Audit and Compliance Committee Vice Chair)

Chanel T. Rowe, Trustee, immediate past Audit and Compliance Committee Chair

Executive and Senior Leadership

Kenneth Jessell, President

Elizabeth Bejar, Provost, Executive Vice President, Chief Operating Officer

Aime Martinez, Chief Operating Officer and Senior Vice President (SVP) for Finance and Administration

Andres Gil, SVP of the Office of Research and Economic Development; Dean, University Graduate School

Juan Carlos Cendan, Dean, Herbert Wertheim College of Medicine; SVP, Health Affairs

El Pagnier Hudson, SVP Human Resources

Carlos B. Castillo, General Counsel

Scott Carr, Athletic Director

Javier Marques, Vice President (VP) Operations and Safety; Chief of Staff

Robert N. Grillo, VP and Chief Information Officer

Bridgette Cram, VP for Academic Affairs, Office of Student Success Operations and Integrated Planning

Jennifer LaPorta Baker, Chief Compliance and Privacy Officer

Alexandra Mirabal, Assistant Vice President and Controller

Helvetiella Longorio, Chief Information Security Officer

Eneida Roldan, Chief Executive Officer, FIU Healthcare Network; Associate Dean for International Affairs; Associate Dean of Master in Physician Assistant Studies Program; Professor

Osmel Delgado, Chief Operating Officer

Sonia Benitez, Sr. Associate Dean of Finance, College of Medicine

OIA Staff

Trevor Williams, CAE

Vivian Gonzalez, Assistant Audit Director

Natalie San Martin, Audit Manager

Dayan Borges, Audit Project Manager

Leslie-Anne Triana, Audit Project Manager

Henley Louis-Pierre, Senior Information Systems Auditor II

Saturnino Germosen, Senior Information Systems Auditor

Ibis Alcala, Senior Auditor

Emily Murillo, Senior Auditor

Appendix E: Survey Results – FIU Leadership and Management

Scoring scale: 4 – Strongly Agree; 3 – Agree; 2 – Disagree; 1 – Strongly Disagree

Question	Average Score
Internal audit activity staff has free and unrestricted access to records, information, locations, and employees during the performance of their engagements.	3.89
Internal audit activity staff respects the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.	3.75
Organizational placement of the internal audit activity ensures its independence and ability to fulfill its responsibilities.	3.71
The internal audit activity management adequately assesses the effectiveness of risk management processes employed by management to achieve objectives.	3.69
The internal audit activity management effectively promotes appropriate ethics and values within our organization.	3.60
The internal audit activity management competently assesses the adequacy and effectiveness of our organization's system of internal controls.	3.53
The internal audit activity demonstrates sufficient knowledge of fraud to identify "red flags," indicating possible fraud when planning its audit engagements.	3.50
Internal audit activity management keeps up to date with changes in our business, our industry, and the relevant regulatory issues.	3.44
The internal audit activity staff is viewed as a viable source of talented individuals who can successfully transfer to other parts of our organization.	3.42
The internal audit activity management sufficiently communicates its audit plans to management of areas being reviewed. This includes descriptions of audit objectives and scope of review.	3.42
The integrity of the internal audit activity establishes confidence, providing the basis for its role as a trusted advisor within our organization.	3.39
Internal audit activity staff exhibits the highest level of professional objectivity in performing their work, makes a balanced assessment of all relevant circumstances, and are not influenced by their own interests or by others in forming judgements.	3.37
Internal audit activity staff keeps up to date with changes in our business, our industry, and the relevant regulatory issues.	3.35
Internal audit activity management communicates effectively (oral, written, and presentations).	3.35
The internal audit activity management establishes annual audit plans to assess areas or topics that are significant to our organization and consistent with our organizational goals.	3.35
Internal audit activity staff exhibits effective problem-identification and solution skills.	3.32
Internal audit activity audit reports are accurate, objective, clear, concise, constructive, complete, and timely.	3.32
Internal audit activity staff communicates effectively (oral, written, and presentations).	3.30
Internal audit activity exhibits proficient project management and organizational skills to the timely completion of its audit engagements.	3.30

Question	Average Score
Internal audit activity demonstrates sufficient knowledge of key information technology risks and controls in performing its audit engagements.	3.28
Internal audit activity is perceived as adding value and helping our organization accomplish its objectives.	3.26
Internal audit activity staff displays adequate knowledge of the business processes, including critical success factors.	3.26
Internal audit activity management demonstrates effective conflict-resolution and negotiating skills.	3.11

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Appendix F: Survey Results – FIU OIA Staff

Scoring scale: 4 – Strongly Agree; 3 – Agree; 2 – Disagree; 1 – Strongly Disagree

Question	Average Score
My CAE effectively promotes the value of our internal audit activity within our organization.	4.00
Our internal audit activity has a conflict of interest policy to report any perceived or actual issues that may have an influence on the independence and objectivity of the auditors.	4.00
Our internal audit activity management provides us with opportunities to keep up to date with changes in our business, industry, and relevant regulatory issues.	4.00
Our audit assignments provide internal audit activity staff with opportunities to develop adequate knowledge of key business processes, including critical success factors.	4.00
Our internal audit activity management provides ample opportunities to develop the skills and knowledge necessary to perform all of my audit engagements.	4.00
I have ample opportunity to enhance my knowledge, skills, and competencies through in-house training sessions and/or outside seminars.	4.00
My performance is reviewed on a regular and sufficiently frequent basis; the criteria used are adequate and the reviews are meaningful and helpful.	4.00
Our internal audit activity management has established policies and procedures that clearly guide the operation of our internal audit activity.	4.00
Our internal audit activity actively encourages collaborative effort between internal audit management and staff for effective completion of our engagements in a timely manner.	4.00
Our internal audit activity effectively promotes appropriate ethics and values broadly across our total organization.	4.00
Our internal audit activity adequately assesses the effectiveness of governance processes, including ethics-related programs and activities.	4.00
Our internal audit activity management and staff demonstrate effective conflict resolution and negotiating skills.	4.00
Our internal audit activity is perceived as adding value and helping our organization accomplish its objectives.	3.88
Our internal audit activity staff has free and unrestricted access to records, information, locations, and employees during the performance of their engagements.	3.88
Our internal audit activity staff is fully aware of and completely conforms to both the Principles and the Rules of Conduct that comprise the Code of Ethics established by the IIA.	3.88
Our internal audit activity staff is fully aware of and completely conforms to The IIA's International Standards for the Professional Practice of Internal Auditing relating to objectivity and due professional care and the Code of Ethics.	3.88
I have sufficient knowledge of fraud to identify "red flags," indicating possible fraud when planning my audit engagements.	3.88
Our internal audit activity management encourages and supports the internal audit activity staff in demonstrating its proficiency by obtaining appropriate professional certifications, such as designations offered by the IIA or other designations related to internal auditing.	3.88
Our internal audit activity competently assesses the adequacy and effectiveness of our organization's system of internal controls.	3.88
Our internal audit activity adequately assesses the effectiveness of risk management processes employed by management to achieve our organization's objectives.	3.88

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Question	Average Score
Our internal audit activity management provides ample opportunities to develop skills and knowledge, and acquire experience that enables me to develop professionally and advance my career.	3.75
Our internal audit activity is viewed as a valuable developmental assignment by individuals from other parts of our organization.	3.75
Our internal audit activity develops and documents a plan for each engagement based on a preliminary assessment of risks relevant to the area being reviewed (including the probability of fraud), and our engagement objectives reflect the result of this risk assessment.	3.75
I receive appropriate, timely, and constructive feedback regarding my performance in completing engagements, enabling me to continue developing my knowledge, skills, and competencies.	3.75
Our internal audit activity management and staff exhibit proficient project management and organizational skills to assure the timely completion of our audit engagements.	3.50
I have sufficient knowledge of key IT risks and controls to perform my audit engagements.	3.29
Our internal audit activity uses computer-assisted audit techniques, including data mining, to facilitate data collection and analysis during completion of our engagements.	3.13

Appendix G: Positive Sentiments from FIU Leadership and Management Interviews

Note: The relative size of the words correlates to their occurrence/use by interviewees

Appendix H: Independent Review Team Background Information

Agnessa Vartanova has been serving as the associate vice president and chief audit executive at the University of Colorado (CU) since February 2021. Prior to joining CU, Ms. Vartanova held leadership roles in global internal audit functions at Ball Corporation and DaVita, Inc., Colorado-based Fortune 500 companies. She earned a Bachelor of Science and Master of Science degrees in accounting from University of Wyoming, and a professional graduate certificate in corporate sustainability and innovation from Harvard University Extension School. Ms. Vartanova is a Certified Public Accountant in Colorado, and has professional certifications in internal auditing, information systems auditing, fraud examination, and risk management assurance. In 2014, the Institute of Internal Auditors recognized Ms. Vartanova as an "Emerging Leader" in the internal audit profession. In her practice, she strives to elevate the role of internal audit by consistently delivering pragmatic and meaningful insight to stakeholders. Ms. Vartanova currently serves as the Association of College and University Auditors' Best Practices Committee Chair.

Reuben C. Iyamu has been serving as the Inspector General for Florida Atlantic University (FAU) Office of Inspector General since March 2021. In that role, he serves as the chief audit executive, responsible for planning, directing, and coordinating auditing; investigations; consulting services; and reviews of the university's operations and activities. Mr. Iyamu has over 20 years of experience conducting and leading audits, investigations, and consulting projects. Before joining FAU, he served as the Deputy Inspector General for the Polk County Clerk's Office of Inspector General and as the Director of Internal Audit for the Monroe County Clerk and Comptroller. Mr. Iyamu earned his bachelor's in information technology science from Florida State University and a master's degree in business administration from the University of Maryland Global Campus. He is a Certified Internal Auditor, Certified Fraud Examiner, and a Certified Inspector General. Mr. Iyamu is a member of various professional associations relating to accounting, auditing, investigation, and information technology, including The Institute of Internal Auditors, the Association of Certified Fraud Examiners, the Association of Inspectors General, the Florida Audit Forum, and the Association of College and University Auditors. He is also a member of the State University Audit Council.

Glenn Murray has been with the University of South Carolina (USC) Audit and Advisory Services department since March 2013. Currently, he serves as the Director of Audit and Advisory Services. Prior to joining USC, Mr. Murray worked for many years at a Fortune 500 gas and electric utility and in public accounting. Those years of experience included 14 years in the Audit Department at SCANA, 10 of which were as a manager. Prior to SCANA, he worked at Tourville, Simpson & Henderson, CPAs as an auditor. Mr. Murray's career also includes significant work with The Institute of Internal Auditors, including South Carolina District Representative, prior to joining USC. Mr. Murray earned a Bachelor of Science in Business Administration (Accounting) from the College of Charleston. He is a Certified Public Accountant and a Certified Internal Auditor.

Date: January 21, 2025

To: Agnessa Vartanova, CPA, CIA, CISA, CFE, CRMA
Reuben C. Iyamu, CIA, CFE, CIGA, CIG
Glenn Murray, CPA, CIA, CIGA

From: Trevor L. Williams, Chief Audit Executive

Subject: Review of the Independent Validation of the Quality Self-Assessment of the Florida International University Office of Internal Audit – November 2024

Thank you for conducting the external quality assurance review of the FIU Office of Internal Audit (OIA). We appreciate you taking the time away from your other responsibilities to conduct this thorough and thoughtful review of our operations. I am pleased the review team concluded that the FIU Office of Internal Audit "**Generally Conforms**"—the highest rating that can be achieved—with The Institute of Internal Auditing (IIA) Standards and Code of Ethics. We are equally pleased that the review team noted that the Office of Internal Audit is regarded as a highly professional and valuable function at FIU.

Your assessment will help OIA improve our internal audit activity, and to that end, we appreciate and accept the best practices you have recommended as opportunities for enhancement. In response to the recommendations, I am providing you with my corrective action plan to address the issues noted.

External Quality Assurance Review – November 2024 Corrective Action Plan

The following describes the measures OIA will take to implement the recommendations offered in the External Quality Assurance report. The recommendations are presented in terms of their subject matter.

Summary of opportunity for enhancement

OIA Governance Document – We concur with this observation. In anticipation of implementing the newly released IIA Global Internal Audit Standards, the OIA began a review of the Standards, the Audit and Compliance Committee Charter, the OIA Charter, and the OIA Operations Manual with the objective of revising these operational documents to incorporate relevant requirements contained in the Standard. Over several months, we have alerted the Audit and Compliance Committee about the need for this action. Additionally, while "should" is used in the OIA Operations Manual as a "presumptive mandatory," as we update our Operations Manual, we will review its use and clearly articulate the associated expectation for its use as well as consider the use of "will" where appropriate. We expect to complete these actions no later than June 30, 2025.

Audit Process – We concur with this observation and value this feedback immensely. We have made efforts to keep our audit scope as defined as possible to address known significant relevant risks. However, we acknowledge that "scope creep" could at times become an issue. Audit managers and supervisors will receive frequent reminders during monthly staff meetings to be alert to "scope creep." Additionally, beginning in FY 2024-2025, we revised our audit report format to specifically categorize audit issues based on their underlining criteria, for example, regulatory, compliance, internal control, best practices, etc. This was done as part of our efforts toward early adoption of the newly issued IIA Global Internal Auditing Standards. We believe this new report format provides the bifurcation that enables management to distinguish the nature of the issues being reported.

Succession Planning – We concur with this observation. Developing the internal audit staff professionally is invaluable to the function. Currently, I encourage staff to become involved with leadership roles in the various professional member organizations. With intentionality, staff are charged with fully managing their engagements, including directly communicating and interacting with the audited area management. However, including staff in the annual risk assessment process and other periodic meetings with leadership would be good experiences to enhance staff development further. This will be implemented during the upcoming annual risk assessment and meeting cycle. Additionally, I will continue to identify opportunities for staff to present agenda items to the Audit and Compliance Committee.

OIA Marketing and Promotion – We concur with this observation and accepts the review team's encouragement to continue to communicate with the FIU community about our role in the organization. We believe that with the regular publishing of our newsletter, *Risks|Controls|Compliance Alerts*, building upon the partnerships we have initiated, and developing and delivering training in content within our field of expertise, that the positive impact OIA brings to the University's operations will be known. These are ongoing efforts. However, greater focus will be given to developing training material.

I take this opportunity to express my appreciation to you for providing our office with this important and valuable feedback.

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University Compliance and Integrity

FLORIDA INTERNATIONAL UNIVERSITY

Office of University Compliance and Integrity Quarterly Report

Second Quarter 2024-2025

February 13, 2025

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BOARD OF TRUSTEES
Audit and Compliance Committee
February 13, 2025

Office of University Compliance & Integrity Quarterly Report

The purpose of the Florida International University ("University") institutional Compliance and Ethics Program ("Program") is to promote and support a working environment which reflects the University's commitment to operating with the highest level of integrity while maintaining compliance with applicable laws, regulations, and policies. The Program is designed to prevent, detect, and correct misconduct within the University based on the elements of an effective compliance program as set forth in Chapter 8 of the U.S. Federal Sentencing Guidelines and as required by Florida Board of Governors Regulation 4.003.

The Office of University Compliance and Integrity (the "Compliance Office") is pleased to present the status update for the Compliance Work Plan. The information reflects progress on the key action items and other compliance activities for the second quarter of FY 2024 - 2025 (October-December).

1. **Provide Program Structure and Oversight of Compliance and Ethics and Related Activities**
   The Compliance Office 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.

2. **Standards of Conduct and Policies**
   The Compliance Office oversees the Florida International University Policies and Procedures Library as well as the University-wide policy development and management process. The Compliance Office provides support to the offices responsible for developing, updating, administering, communicating, training, monitoring, and ensuring compliance with University policy.

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3. **Training, Education and Communications**

The Compliance Office trains, educates, and creates communication pathways to inform the Florida International University Community of its compliance responsibilities, regulatory obligations, and the University compliance and ethics program.

4. **Measurement and Monitoring**

The Compliance Office identifies and remediates noncompliance through proactive review and monitoring of risk areas. The monitoring plan is typically determined by the evolving risks, new laws, and regulations as well as trends identified by the Compliance Office in partnership with other units. The Compliance Office also measures and evaluates the overall compliance and ethics culture of Florida International University.

5. **Enforce and Promote Standards through a System of Investigations, Discipline, Incentives and Corrective Actions**

The Compliance Office, in consultation with the University President and FIU Board of Trustees and in partnership with Human Resources, promotes and enforces the Program and University regulations, policies and procedures consistently through appropriate incentives and consequences for noncompliance. The Compliance Office conducts timely reviews and coordinates investigations of allegations of noncompliance and misconduct and provides guidance on corrective actions.

6. **Risk Management**

The Compliance Office partners with the Office of Internal Audit through the Enterprise Risk Assessment to identify areas of compliance risk for further monitoring and to assist risk owners in mitigating and managing risk.

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Office of University Compliance & Integrity Quarterly Report

PROGRAM STRUCTURE & OVERSIGHT

The 2024-2025 Annual Work Plan includes continuation of the multitude of Program activities conducted, coordinated, and facilitated by the Compliance Office that promote an organizational culture and that encourage ethical conduct.

Compliance Internal Operating Procedures

➢ Continued to engage in process improvement assessment, development, testing, and evaluation of internal operating procedures to document and streamline the various processes, programs, and functions undertaken to effectuate the Program.

Foreign Influence and Global Risk Governance Activities

➢ Facilitated ad hoc Florida Statute Foreign Influence Sub-committee meetings (Sub-committees: 286.101 Foreign Gifts and Contracts; 288.860 International Cultural Agreements; 1010.25 Foreign Gift Reporting; 1010.35 Screening foreign researchers; 1010.36 Foreign travel; research institutions).
➢ Communicated with various units to effectuate the reporting of foreign gifts and contracts for submission of required federal and state foreign gift/agreement reports for January 31 deadline.
➢ Worked with Florida Board of Governors (BOG) to supply responsive information for the BOG's foreign gifts and contracts audit.
➢ Worked with export control consultant to review and approve international shipments through a centralized international shipping review process that is designed to systematically and timely address export licensing requirements while ensuring that routine (non-controlled) shipping transactions occur without undue delay.
➢ The Export office classified research projects and developed technology control plans as required to comply with export regulations for a specific project.
➢ Facilitated and engaged in meetings, discussion, and management of workflow for approvals of the purchase, acquisition, and use of drones at FIU. Drafted FIU's Drone Policy and met with key stakeholders for feedback.
➢ Conducted 129 visual compliance research reviews during the reporting period as part of the visa applicant questionnaire screening, international agreement screening, international shipping review, and travel authorization review processes. Met with key stakeholders to discuss restricted party visual compliance hits. University-wide, a total of 958 visual compliance research reviews were conducted.
➢ Continued to work with Office of the Controller and FIU Global regarding process improvements to the Foreign Travel Workflow, including the implementation of consequences for non-compliance.

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> ➢ Met with faculty upon request to discuss questions regarding the Travel Authorization Request (TAR) processes and foreign travel guidance.
> ➢ Participated in ad hoc Travel Committee meetings to determine appropriate consequences for those who submit late Travel Authorization Requests for International Travel.
> ➢ Met with key stakeholders to discuss restricted party visual compliance results.
> ➢ Met with Procurement to discuss controls within the Total Contract Manager system regarding foreign influence.
> ➢ Reviewed foreign source onboarding of new vendors and requests for purchases.
> ➢ Met with Research Integrity, the Office of the Provost and Human Resources to discuss workflow for extended research background check for Person of Interest and Courtesy Faculty.
> ➢ Met with Foundation to discuss controls and vetting process for international donors.
> ➢ Worked with HR and Graduate School to gather information and provide guidance regarding hiring of foreign nationals.
> ➢ Met with immigration attorney regarding Visa types, including Humanitarian Parole, for screening purposes.
> ➢ Met with Foreign Influence Manager and HR to discuss IP Agreement.
> ➢ Meetings with External Affairs to design and migrate Research Security, Export Control, and Foreign Influence Websites.
> ➢ Participated in interviews for ISSS Director position.
> ➢ Pre-meeting and entrance Conference with Internal Audit to discuss Foreign Influence Audit.
> ➢ Meeting with FIU Global regarding International Travel compliance assessment.
> ➢ Worked with the Office of the General Counsel (OGC) and Office of Research and Economic Development (ORED) to address specific foreign influence risks.
> ➢ Conducted initial interviews for Foreign Influence Compliance Manager position.

Participation in Task Forces, Committees and Other Compliance-Related Initiatives

The Compliance Office continues to lead and/or participate in several task forces, committees and initiatives including, but not limited to:

> ➢ Chair of the Global Risk and Foreign Influence Task Force
> ➢ Chair of the Institutional Conflict of Interest Committee
> ➢ Chair of the Policy Committee
> ➢ Chair of the Compliance Liaison Committee
> ➢ Co-Chair of the HIPAA (Health Insurance Portability and Accountability Act) Committee
> ➢ Co-Chair of the FERPA (Family Educational Rights and Privacy Act) Committee
> ➢ Co-Chair of the Enterprise Risk Management Group
> ➢ Member of the State University System Compliance Consortium

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- ➢ Member of the Dean's Advisory Council
- ➢ Member of Civil Discourse Taskforce
- ➢ Member of the Operations Committee
- ➢ Member of the National Collegiate Athletic Association Oversight Committee
- ➢ Member of the International Travel Committee
- ➢ Member of the University Building Access Controls Committee
- ➢ Member of the Drug and Alcohol Task Force
- ➢ Member of the Professional Licensure Disclosure Committee
- ➢ Member of the Prohibited Expenditures Workgroup
- ➢ Member of the Outside Activity/Conflict of Interest Workgroup
- ➢ Member of the Digital Accessibility Working Group
- ➢ Member of University Safety Committee
- ➢ Participant in the Biscayne Bay Leadership Team meetings
- ➢ Participant in Information Technology Administrators Committee (ITAC)
- ➢ Participant in Veteran's Affairs Workgroup
- ➢ Participant in Clinical Informatics Committee
- ➢ Participant in the Red Flags/Identity Theft Prevention Program Update Group

Athletics Compliance Oversight and Initiatives

- ➢ Managed Student Assistance Fund (SAF) expenditures, financial aid adjustments, National Letter of Intent (NLI) packets, meal plan changes, and per diem requests.
- ➢ Verified spring meal plans.
- ➢ Sent approved Spring Athletic Book List to Student Athlete Academic Center (SAAC).
- ➢ Completed transfer assessments and spring admissions.
- ➢ Certified squad lists for competitions.
- ➢ Re-certified mid-year students (credit hours, GPA, odd-term enrollees).
- ➢ Confirmed new student-athlete participation and clearance; identified those dismissed or who have quit.
- ➢ Flagged potential eligibility issues (Progress Toward Degree (PTD), missed term).
- ➢ Completed academic profiles for freshmen.
- ➢ Obtained final verification forms for spring graduates.
- ➢ Conducted team certification meetings; scheduled football bowl certification as necessary.
- ➢ Ensured SAAC sends student-athlete major lists to home colleges for PTD confirmation.

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> ➢ Processed medical hardship requests.
> ➢ Attended practices (three teams per week); review contact rules/legislation with Football.
> ➢ Audited official visit documentation, practice/participation logs, communications, and calendars.
> ➢ Generated Dead Period signs for specific sports.
> ➢ Conducted Men's Basketball/Women's Basketball ticketing meetings.
> ➢ Led monthly rules education, legislative updates, and new hire orientations.
> ➢ Sent admission reports, letters, and spreadsheets for prospective spring enrollees.
> ➢ Worked with the OGC to monitor changing legal landscape for Division I Athletics.

Health Affairs Compliance

> ➢ Participated in the Alcohol and Other Drug Meeting to review and update relevant policies and procedures and prepare annual report.
> ➢ Conducted weekly review of FIU Center for Children and Families (CCF), Faculty Practice and Student Health privacy access reports.
> ➢ Participated in the Clearwater Privacy Group Committee meeting discussion.
> ➢ Attended HIPAA Cybersecurity briefing.
> ➢ Attended meetings regarding Baptist/FIU Herbert Wertheim College of Medicine (HWCOM).
> ➢ Conducted HIPAA Privacy Rule investigative interviews
> ➢ Initiated and attended meetings to modify Consent to Treat form and process.
> ➢ Conducted inquiry into the receipt of several facsimiles received from provider containing patient Personal Health Information.
> ➢ Reviewed and approved several contracts for HIPAA business associate agreement requirements.
> ➢ Worked with IT to review HIPAA Security concerns.
> ➢ Reviewed risk incident to address potential privacy concerns.
> ➢ Audited Mobile Units for required HIPAA Privacy Notice posting.
> ➢ Conducted/participated in HWCOM IT special software installation request for HIPAA Privacy compliance.
> ➢ Worked with health affairs unit to effectuate completion of HIPAA training requirements.
> ➢ Met with HWCOM to review and implement HIPAA Privacy Rule Reproductive Health requirements. Provided flowchart to effectuate compliance.
> ➢ Developed HIPAA Reproductive Health training module.

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Oversight and Accountability
➢ Compliance Liaison Dashboard – Met with key liaisons to address compliance related issues and initiatives within their division. ➢ Executive Dashboard – Presented the Vice President/Dean Executive Scorecard each month at the University Operations Committee (OPS) and Deans Advisory Board Meetings indicating the status of required compliance tasks for University leadership (trainings and policy attestations). ➢ Policy Liaison Dashboard – Developed Policy Checklist for new and substantively updated policies to be submitted to the Policy Liaisons for review and feedback.

Operationalize FIU's Core Values
➢ Drafted notification to all employees regarding the Employee Code of Conduct.

Compliance Office Planning
➢ Weekly full day compliance work sessions to effectuate completion of workplan elements. ➢ Interviewed candidates for Foreign Influence Manager position. ➢ Chose new Ethical Panther Hotline platform provider and began development of transition plan. ➢ Worked with IT to transition to a new Policy Library platform with increased automation and functionality. ➢ Worked with Office of the President to identify new space for the Office of Compliance.

STANDARDS OF CONDUCT & POLICIES

The 2024-2025 Annual Work Plan includes continuation of the support and resources the Compliance Office provides to Policy Owners in enforcing University policies and procedures, launch of the updated Code of Conduct, oversight of the Policy Working Group and updates to the University Policy Framework and the University's ethics policies related to State Employee responsibilities and obligations.

2024-2025 Policy Development Process
➢ Drafted final policy regarding the use and purchase of drones at FIU. ➢ Continued to follow up with policy owners to usher new and updated policies through the Policy endorsement process. ➢ Made suggested revisions, comments and recommendations to Athletics Department Alston Awards Policy; worked with the OGC and FIU Athletics to determine operationalization of policy consistent with Title IX requirements. ➢ Discussion with Director of Health Affairs Compliance regarding necessary updates to HIPAA policies and procedures. ➢ Met with Foundation to discuss policy considerations. ➢ Continued organization and cataloging of previous versions of policy.

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Risk Management approach to University Policies
➢ Identified and coordinated policy campaigns with policy owners using a risk profile lens as new policies are created or substantively updated.

Increase University Policy Awareness
➢ Continued to work with policy owners to determine the frequency and appropriate audience for policy campaigns.   ➢ Continued to work with policy owners to identify various new methods of communicating policy.   ➢ Continued to work with Human Resources to utilize the HR Newsletter as a new/updated policy and process communication tool (e.g., code of conduct and international shipping processes).   ➢ Included links to relevant policies in all Compliance notifications.

New and Updated University Policies Reviewed and Endorsed by the Operations Committee and Deans Advisory Council
The Office of University Compliance ushered the following policies through the Policy Framework endorsement process: ➢ 2370.005 Conflict of Interest in Research   ➢ 520.025 Video Surveillance System   ➢ 150.105 Contracts Review

TRAINING, EDUCATION & COMMUNICATIONS
The 2024-2025 Annual Work Plan includes continuation of robust training, education and communication activities conducted, coordinated, and facilitated by the Compliance Office to increase employee awareness. Efforts include information communicated through mandatory compliance training campaigns, self-enrollment educational opportunities, FIU's Compliance Newsletter, the Compliance and Integrity and Export Control Websites, time-sensitive communications, presentations and compliance updates, and participation in New Employee Orientation.

2024–2025 Annual and Scheduled Training, Education, and Communication
Designed, developed, launched, and escalated five compliance Policy Acknowledgement/Training Campaigns to University faculty and staff including: ➢ FIU Clery Act Basics Training   o 99.71 % completion rate

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➢ FERPA Basics
  o 98.58 % completion rate
➢ Reporting of Child Abuse: Your Mandatory Obligations – fall Campaign
  o 93.24 % completion rate
➢ HIPAA Cluster 1: HIPAA Basics, Complaints, Incident Reporting, and Sanctions
  o 100 % completion rate
➢ Preventing Identity Theft by Detecting Red Flags
  o 100 % completion rate

Designed, developed, and issued fourteen (14) Training Campaigns that are ongoing and open for self-enrollment:

➢ HIPAA Cluster 1: HIPAA Basics, Complaints, Incident Reporting, and Sanctions (role based training - enrollment required for access to protected health information)
  o Rolling enrollment
  o Employees and students trained: 2,531
➢ HIPAA Cluster 2: Notice of Privacy Practices
  o Rolling enrollment
  o Employees trained: 475
➢ HIPAA Cluster 3: Representatives, Patient Rights, Communication, Workforce Member Access, Family, Friends and Others, Minimum Necessary, and Sanctions
  o Rolling enrollment
  o Employees trained: 252
➢ HIPAA Cluster 4: Psychotherapy Notes
  o Rolling enrollment
  o Employees trained: 133
➢ HIPAA Cluster 5: Disclosure, Authorization, Patient Requests and Access, and Court Orders
  o Rolling enrollment
  o Employees trained: 33
➢ HIPAA Cluster 6: Marketing, Sale, Fundraising and Media
  o Rolling enrollment
  o Employees trained: 44
➢ FERPA Basics
  o Rolling enrollment

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- o   Employees trained: 1,479
- ➢ Campus Solutions FERPA Annual Training (enrollment required for Campus Solutions Access)
  - o   Rolling enrollment
  - o   Employees trained: 4,397
- ➢ Export Control for Health Sciences Professionals
  - o   Open for self-enrollment
  - o   Employees trained: 6
- ➢ Export Control for Research and Operations Personnel
  - o   Open for self-enrollment
  - o   Employees trained: 15
- ➢ Export Control Basics
  - o   Open for self-enrollment
  - o   Employees trained: 9
- ➢ FIU Clery Act Basics
  - o   Open for self-enrollment
  - o   Employees trained: 784
- ➢ Employee Code of Conduct
  - o   Open for self-enrollment
  - o   Employees trained: 143
- ➢ Alcoholic Beverages Regulation
  - o   Open for self-enrollment
  - o   Employees trained: 20

Conducted live New Employee Experience Compliance and Ethics Training Bi-Weekly

Communications Campaigns and Coordination with Key Stakeholders:

- ➢ International Shipping Procedures
- ➢ Drug-Free Campus/Workplace Drug and Alcohol Abuse Prevention Notification
- ➢ Compliance Notification Regarding International Travel Procedures
- ➢ Political Activity Notification
- ➢ Mandatory Reporting of Child Abuse
- ➢ Employee Code of Conduct
- ➢ Annual Outside Activity/Conflict of Interest Reporting

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Training and Education Program Activities

➢ Continued to work with Human Resources to utilize the HR Newsletter as a new/updated policy and process communication tool (e.g., code of conduct and international shipping processes).
➢ Continued to train new hires bi-weekly through participation in the New Employee Experience orientation session.
➢ Managed five (5) training courses and policy acknowledgment campaigns, through escalation.
➢ Worked with FERPA Committee to communicate requirements regarding FERPA's application in various educational contexts.
➢ Met with HWCOM and CCF representatives to discuss the processes for the dissemination of role-specific HIPAA training and removal of access to the Electronic Medical Record (EMR) for those that do not complete training. Developed launch plan, escalation templates, and training calendar. Worked with units to effectuate completion throughout the campaign.
➢ Met with FERPA committee to discuss reported FERPA violations and targeted educational efforts based on root cause analysis trends.
➢ Worked with Prohibited Expenditures (PE) Workgroup to develop tools, communications and education for University community. Trained key units and monitored PE email to respond to questions and offer support and resources.
➢ Discussions regarding late TAR consequences regarding International Travel. Updated International Travel Notification for fall distribution.
➢ Updated campaign communications plan for FY2024-2025 training and communications.
➢ Met with Immigration attorney to determine Name, Image, and Likeness (NIL) application to international students.
➢ Reviewed NIL/Alston education slides and made recommendations.
➢ Worked with External Affairs on the transitioning compliance websites to Website Digital Communications template.
➢ Worked with Human Resources to determine spring reporting of child abuse training.

MEASUREMENT & MONITORING

The 2024-2025 Annual Work Plan includes continuation of regular measurement and monitoring program elements in addition to conducting several identified assessments informed by evolving risks, new laws, and regulations, as well as trends identified by the Compliance Office in partnership with other units.

Measurement and Monitoring Activities

➢ Oversight and management of the Compliance Requirements Matrix Platform.
➢ On a monthly basis, met with Gartner, third party compliance consultant services, to discuss and utilize advisory services and resources for ongoing compliance initiatives (e.g., training, communications, and policy development and framework).
➢ Various meetings with FERPA team regarding potential breaches.

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> ➤ Met with Incident Response Team, as needed, to manage response to breach incidents.
> ➤ Continued research and planning for a new FIU Privacy Taskforce.
> ➤ Met with members of Prohibited Expenditures workgroup to respond to PE related questions. Met with units to discuss and assess compliance with PE Regulation and drafted submission to BOG related to PE Compliance efforts.
> ➤ Met with Conflict of Interest (COI)/ Outisde Activity (OA) reviewers to discuss reported activities and monitoring plans.
> ➤ Reviewed Institutional COI/OA reports.
> ➤ Participated in University Safety Committee in response to recommendations from the Department of Risk Management Audit and provided recommendations for compliance with University safety policies.
> ➤ Met with University Police Department to discuss Clery reporting requirements related to University overnight trip hotel vicinity crime reporting.
> ➤ Met with the Office of the Controller and FIU Global to discuss actions to be taken for non-compliant TARs.

Scheduled Compliance Reviews and Assessments

> ➤ HIPAA review of patient privacy monitoring reports
> ➤ Assessment of required HIPAA training completion
> ➤ Second quarter HIPAA Privacy Rule Assessment
> ➤ Outside Activities/Conflict of Interest Program Assessment
> ➤ Internal Operating Procedure process improvement assessments
> ➤ Compliance Requirement Matrix reminder, verification, and monitoring platform assessment
> ➤ Assessment of travel authorization foreign influence and export control review
> ➤ Assessment of international and U.S. territories shipping

Ongoing Measurement and Monitoring Program Elements

> ➤ Outside Activities/Conflict of Interest Disclosure Process – Continued to work with University partners through this review process to assess risk exposures posed by certain disclosures and take proactive steps to address those risks.
> ➤ Ethical Panther Hotline Case Review – Continued to provide administration and oversight of the Ethical Panther Hotline to include review and tracking of all reports submitted. Collaborated with Employee and Labor Relations to identify additional methods for improving the populating of information in the case management system.
> ➤ Travel Authorization Monitoring - In cooperation with Global Affairs, the Compliance Office monitors and assesses export control and other risks associated with international travel as a member of the International Travel Committee and as an approver for an export control questionnaire for all international travel authorizations. The Compliance Office reviewed and responded to 72 travel authorizations, foreign travel considerations and export control approvals that were escalated for further review.

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- ➤ External Compliance Requests or Investigations - Continued to provide support, coordination, and oversight of external inquiries into compliance with federal and state laws and National Collegiate Athletic Association (NCAA) requirements.
- ➤ Participation in Task Forces, Committees and Other Compliance Initiatives – Continued participation in a wide variety of groups to both contribute compliance guidance into University operations and to monitor operational activities for risk mitigation purposes.
- ➤ Partnership and Coordination with Internal Audit – Continued to provide guidance to the Office of Internal Audit regarding compliance-related audits and matters. Based on audit findings, (which are communicated as a matter of course to the CCO), the Compliance Office provides guidance, training, and/or assists departments with policy and procedure development and other mitigation strategies. Discussed Office of Compliance contribution to the Risk Assessment.
- ➤ Compliance Requirements Matrix - Administered the Compliance Requirements Matrix which includes deadlines for items requested of business partners throughout the campus by regulators and a verification process for required submissions.
- ➤ Risk Assessment - The enterprise risk assessment conducted by the Office of Internal Audit continued to serve as a guide for the Compliance Office's risk-based approach to prioritizing and addressing University policy and other Compliance requirements.
- ➤ Export Control Visual Compliance Screenings – Conducted 129 visual compliance research reviews during the reporting period as part of the visa applicant questionnaire screening, international agreement screening, international shipping review, and travel authorization review processes.
- ➤ International Travel Committee – Reviewed and provided recommendations related to employee and student travel.
- ➤ International Shipment Review – Conducted seven (7) international shipping reviews during the reporting period as part of the international shipping review process.
- ➤ Medical Records Access Monitoring Tool - The Director of Compliance and Privacy for Health Affairs collaborated with key stakeholders to coordinate the externally staffed access auditing tool with the Medical Records Applications utilized by the Faculty Group Medical Practice, NeighborhoodHELP, CCF, and Student Health.
- ➤ JumpForward Compliance Platform - The Athletics Compliance Office leveraged the *JumpForward* platform to automate and monitor key compliance functions such as recruiting activities, ticket management, and financial aid. The platform integrates an NCAA rules engine and flexible workflows to effectuate communication and education with athletic staff members.

Compliance Calendar Monitoring

- ➤ Administered the Compliance Requirements Matrix.
- ➤ Continued to work with Information Technology to address improvements to the Compliance Requirements Matrix Platform to support this Compliance monitoring function.
- ➤ Communicated with business partners to remind them of deadlines and to seek verification of submissions for the following compliance items within this reporting period:
  - Campus Security Act Report
  - Students, Employees and the US Department of Education Annual Fire Safety Report

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- International Shipping Compliance University-wide communication
- Mandatory Reporting of Child Abuse Policy University-wide communication
- Annual Textbook and Instructional Materials Affordability Report
- Civil Discourse Recommendation 3 - Student Government Association endorsement of Statement of Free Expression
- Office of Federal Affairs federal lobbying disclosure reports
- Above-ground Storage Tank (AST) Report of Financial Responsibility Certification
- Outside Activity/Conflict of Interest Reporting (staff and faculty)
- Export Control International Shipment Annual Attestation Agreement for certain bulk or recurring shipments
- Institutional Conflict of Interest communication
- Alcoholic Beverages Regulation University-wide communication
- Civil Discourse Recommendation 3 - Faculty Senate endorsement of Statement of Free Expression
- Higher Education Act: Perkins Loans
- NCAA Board of Governors Policy on Campus Sexual Violence annual attestation
- Equity in Athletics Disclosure Act (EADA) Report - report on Athletic program participation rates and financial support data
- Publish/disclose annual CDR rate to service members (Veteran and Military Affairs)
- Publish/disclose annual CDR rate to service members (Financial Aid)
- Animal Welfare Act Report (by licensees)
- Institutional Animal Care and Use Report
- Civil Discourse Recommendation 1 - Taskforce Update to FIU Board of Trustees (BOT)
- Civil Discourse Recommendation 3 - BOT endorsement of Statement of Free Expression
- Data requests to Florida Board of Governors compliance verification
- Federal Student Aid Audit

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ENFORCE AND PROMOTE STANDARDS THROUGH A SYSTEM OF INVESTIGATIONS, DISCIPLINE, INCENTIVES AND CORRECTIVE ACTIONS
The 2024-2025 Annual Work Plan includes continuation of the Compliance Office assisting in investigations and reviews, overseeing the Ethical Panther Hotline, making effective use of "Scorecards" to highlight accountability, awarding professional development credits for completion of compliance tasks, and providing oversight and guidance to compliance partners regarding corrective actions.

Align Completion of Compliance Tasks with the Performance Excellence Process (PEP)
➢ Continued work with the Division of Human Resources to ensure consequences for employees who fail to complete required compliance tasks following the escalation protocol.   ➢ Continued work with the Division of Human Resources to implement a system to inform supervisors of employees who have not completed compliance tasks for inclusion in the PEP.

Administer, Support, and Promote the Florida International University Ethical Panther Hotline
➢ Continued administration of the FIU Ethical Panther Hotline to include assignment, review, and tracking of 77 open reports through the end of December (including 28 new reports from October – December), data compilation, trend review, and reporting.   ➢ Continued to partner with the Division of Human Resources and the Office of Civil Rights Compliance and Accessibility to improve case management workflows.   ➢ Coordinated the triage of reports by the Hotline Reports Review Committee, consisting of the Chief Compliance Officer, the Senior Vice President for Human Resources, and the Chief Audit Executive, tasked with reviewing all reports to determine the University's immediate and initial response, whistleblower status, and what other University personnel, if any, must be involved in the investigation and the ultimate resolution of each report.   ➢ Responded or facilitated response to each identified reporter to confirm that the report was received, was being reviewed, and to point the reporter to additional support and resources at FIU that may be relevant given the specific nature of the report.   ➢ Continued regular monitoring of the status of hotline reports and follow up with assigned investigators to ensure reports are assessed and addressed.   ➢ Continued to promote the FIU Ethical Panther Hotline on the Compliance Website, the new Export Control Website, the Policy Library, and in various communications.   ➢ Reviewed automated weekly reports to monitor progress on investigations stemming from Ethical Panther Hotline cases.   ➢ Worked with Human Resources Information Systems to create reports and dashboards to illustrate reporting trends for submissions included in the iSight case management system for Ethical Panther Hotline reports received.

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- ➢ Met with FIU Police, Office of Internal Audit, Office of Student Conduct and Academic Integrity, and the Office of the Registrar to coordinate case closures originating with Ethical Panther Hotline reports.
- ➢ Disseminated templates to those investigators outside of the iSight case management system to track those cases.
- ➢ Met in-person with two reporters to discuss complaint and investigation process.

Provide Recommendations for Corrective Actions and Improvement of Ethical Conduct

- ➢ Continued providing recommendations for corrective actions and improvements of ethical conduct to the appropriate authorities following investigations or requests for guidance.
- ➢ Worked with Human Resources to develop appropriate corrective actions for failure to complete required compliance tasks.
- ➢ Worked with Associate Athletic Director of University Compliance to ensure compliance with all NCAA regulatory obligations.
- ➢ Worked with Director of Health Affairs Compliance to ensure compliance with HIPAA privacy obligations.
- ➢ Met with key stakeholders to discuss consequences for employees non-compliance with foreign influence workflows.
- ➢ Worked with the OGC and Human Resources to determine appropriate corrective action related to FIU Hotline reports.
- ➢ Worked with FIU Global, ORED and the Office of the Controller to determine additional appropriate consequences for late international TAR submissions.

RISK MANAGEMENT

The 2024-2025 Annual Work Plan includes continuation of the Compliance Office making effective use of the Enterprise Risk Management Framework, including assisting risk owners in making risk informed decisions and responding to key identified risks by implementing proper controls and mitigating measures and facilitating continuous learning.

Risk Management Activities

- ➢ Continued to meet with the Chief Audit Executive to further develop a process for mitigating identified risk across the enterprise by educating risk owners and risk managers and developing a system of accountability.
- ➢ Updated specifications for the development and management of the Panther Enterprise Risk Management Platform.
- ➢ Continued to review and address emerging risks in partnership with OGC and other key stakeholders as they occur through new legislative requirements and institutional initiatives and obligations.
- ➢ Disseminated weekly foreign influence risk updates and communications from FIU's local Federal Bureau of Investigation liaison to key stakeholders.

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Office of Internal Audit Status Report

Board of Trustees
February 13, 2025

FIU | **Office of Internal Audit**
FLORIDA INTERNATIONAL UNIVERSITY

FIU | Office of Internal Audit

Date:	February 13, 2025
To:	Board of Trustees Audit and Compliance Committee Members
From:	Trevor L. Williams, Chief Audit Executive
Subject:	**OFFICE OF INTERNAL AUDIT STATUS REPORT**

I am pleased to provide you with this quarterly status update on our Office's activities since our last update to the Board of Trustees Audit and Compliance Committee on November 21, 2024.

Projects Completed

Audit of Grading Integrity Management
(November 19, 2024)

We completed an audit of grading integrity management for the Fall 2022 semester through the Fall 2023 semester. In summary, we concluded that the University has established internal controls and processes related to the management of grade changes but noted instances of noncompliance and opportunities for improvement. We offered 24 recommendations that are unique to each department, equating to 34 recommendations distributed across the six departments. Management has agreed to implement all the recommendations offered. Some examples of how controls could be strengthened include:

- Regularly reviewing roles, monitoring activity, revoking unnecessary access, and restricting grade entry across academic careers to essential cases only.
- Revising the Grade Change Request Form in PantherSoft to specify who initiated the request to the approver.
- Developing comprehensive departmental procedures for all grade change processes and reviewing and updating existing policies, procedures, Faculty Handbooks, forms, and websites with relevant information to ensure consistency with current practices.
- Assigning grades and processing grade changes in accordance with FIU policies.

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Audit of Foundation Pledges Receivable and Collections
(January 14, 2025)

We completed an audit of pledges receivable and collection for the period of July 1, 2023, through June 30, 2024, for the Florida International University Foundation, Inc., ("Foundation"). This audit focused on the Foundation's operations and internal controls related to the recognition and collection of pledges. In summary, we concluded that the Foundation has effectively implemented internal controls for managing pledges receivable and their collection, ensuring their accuracy, completeness, and proper valuation. However, the documentation of follow-up efforts and strategies related to past due pledges could be improved. In addition, the review of security controls over the Raiser's Edge application is being missed. We offered the following two recommendations that management has agreed to implement.

- Work with Advancement Services to implement a standardized process for updating the system with complete and accurate documentation of follow-up actions and decisions.
- Establish a formal process for periodically reviewing IT vendor security assessment reports, including those from Blackbaud. This review should align with organizational security requirements and extend beyond onboarding to maintain awareness of the vendor's security posture throughout the service period.

Audit of Physician Assistant Program – Information Technology Controls
(January 22, 2025)

We completed this audit to evaluate the information technology controls for the FIU Master in Physician Assistant Studies program during July 1, 2023, through May 31, 2024, and focused on assessing the program's adherence to FIU Policy 1910.005, *Responsibilities for System Administrators* and the controls in place for the critical applications utilized in the program's operations. In summary, we concluded that while the selected IT controls for the five critical applications used in the program are generally in place, the program's adherence to Policy 1610.005 has room for improvement. We offered nine recommendations to address the issues found. Management has agreed to implement all the recommendations offered.

Audit of Capital Construction Project Administration and Funding
(January 27, 2025)

We completed an audit of capital construction project administration and funding related to major capital construction projects that were either completed or were in progress on or after July 1, 2022, through the end of our fieldwork in October 2024 and managed by the Facilities Management Department ("Facilities"). Our audit assessed the planning, management,

funding allocation, contractor and subcontractor selection, and overall compliance with statutes, regulations, policies, and contracts related to capital projects to ensure adherence to sound internal controls and practices. In summary, we concluded that Facilities has established internal controls and sound practices for many areas tested within our audit scope. We found that, generally, controls related to project management and planning are designed well and are functioning effectively. Notwithstanding the presence of those controls, we identified instances of non-compliance with Florida Statutes and University policies and procedures, as well as the absence of certain control activities that if not addressed, may increase the exposure to risks that could adversely impact Facilities' otherwise effective administration of major capital construction projects. We offered the following five recommendations, which management has accepted with comments.

- Ensure all required Campus Development Agreements are executed in compliance with Florida Statutes.
- Ensure that bid tally sheets are completed and received for all subcontracts requiring competitive solicitation.
- Develop a process to ensure that along with the Construction Manager, the Architect/Engineer and the owner receive all sealed subcontractor bids directly before they are opened and tallied by the Construction Manager.
- Establish a review process to verify that the insurance and bonds provided by both Construction Managers and Architects/Engineers on capital construction projects align with the University's insurance requirements and Florida Statutes.
- Working through the Office of the President and the Office of General Counsel, initiate a discussion with the Board of Trustees to consider commissioning a general review of the President's Powers and Duties Resolution in order to ensure that the level of reporting desired by the Board of Trustees is achieved, including an assessment of the level of reporting of change order activity and other construction activities.

Audit of Performance-Based Funding and Preeminent Metrics Data Integrity (January 29, 2025)

In 2024, FIU received the designation of a preeminent state research university and the top score for performance-based funding (PBF). For being ranked first, FIU received $70.5 million of the $645 million PBF allocation. State University System of Florida Board of Governors (BOG) Regulation 5.001(8) and Florida Statute 1001.706, required an annual audit of the data integrity related to the University's performance-based funding and preeminent metrics. We performed these audits to determine whether the processes established by the University ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support said metrics and to provide an objective basis of support for the University President and the Board of Trustees Chair to affirm the representations made in the Data Integrity Certification for Performance-based Funding and Preeminence status to be filed with the BOG by the first business day of March 2024.

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Our audit confirmed that FIU continues to have good process controls for maintaining and reporting performance and emerging preeminent metrics data. Overall, the system continues to function in a reliable manner, in all material respects. However, to address certain matters found, we recommended the following to the University's data administrator:

- Partner with the Office of Admissions to identify pertinent admissions data that influence PBF program logic and metrics to collectively establish guideposts that the Office of Admissions may then utilize to proactively monitor data input accuracy for critical fields. This may include developing a data literacy training that serves as a reference for relevant staff.

- Collaborate with the PantherSoft team to review and update the program logic to ensure accurate reporting of the student's admission/readmission information (year, month, and type of student) and credits for courses being audited.

Audit of Campus Safety
(January 29, 2025)

We completed an audit of campus safety to assess the adequacy and effectiveness of the protocols and mechanisms in place for ensuring the physical safety of members of the campus community, safety communications, and monitoring and responding to safety-related matters. In summary, we concluded that, overall, the University is well-equipped with various safety features that contribute to providing a safe environment for members of the University community, ensuring efficient and effective communications related to safety, and monitoring and responding to safety-related matters. Where the need for enhancements was noted, we offered 10 recommendations, which management has accepted, some with comments. Three of the said recommendations have already been implemented.

Work in Progress

The following ongoing audits are in various stages of completion:

Ongoing Audits	
Audits	**Status**
Background Checks – Volunteers and Third Parties	Fieldwork in progress
Continuous Auditing	Draft report issued
Foreign Influence Regulatory Controls	Fieldwork in progress
Information Technology Vendor Management	Draft report issued
Prohibited Expenditures Detection Controls	Planning
Research Centers Financial Operations	Planning
Research Integrity and Plagiarism	Planning
Selected Operations and Partnerships – College of Medicine	Planning

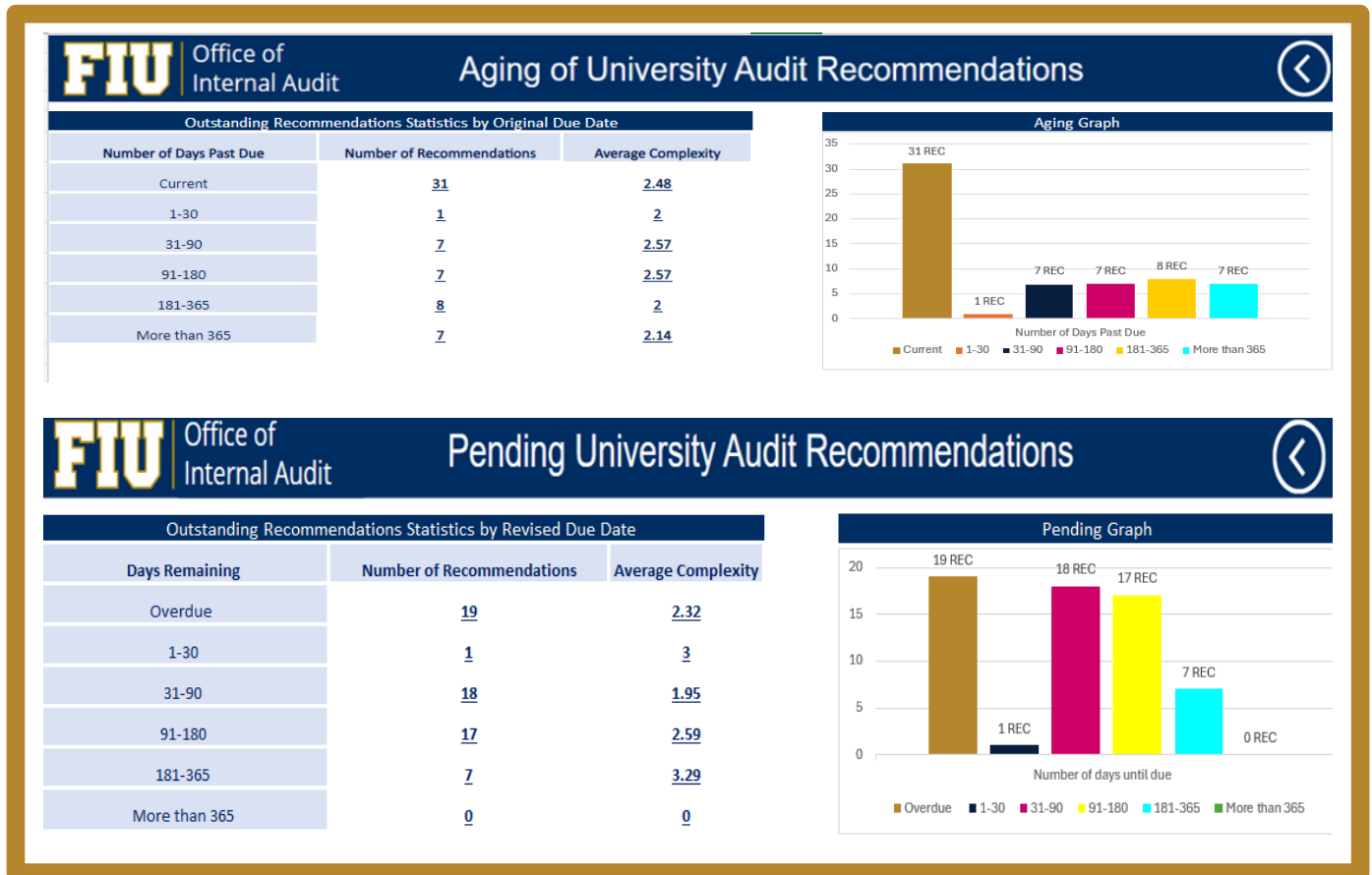## Prior Audit Recommendations Follow-Up Status Report

University management utilizes the OIA Panther Audit Platform to update and report the status of prior audit recommendations. Thereafter, OIA staff performed a substantive examination of the accompanying documentation and/or revised process to validate the status of the recommendation as reported by management. The outcome from our auditing efforts results in either acceptance or re-characterization of the reported status.

Since our last report to the Committee on management's progress towards completing past audit recommendations, there were 55 recommendations due for implementation as of December 31, 2024. Through our validation process, we have concluded that 32 of said recommendations (58 percent) were completed, 19 (35 percent) were partially implemented, and 4 (7 percent) were not implemented by their expected due date. The chart below shows 18-months lookback data of the rate of implementation of prior audit recommendations. A list of outstanding recommendations along with their revised plans of action and due dates is presented in the table starting on page 8.)

Prior Audit Recommendations Implementation Rate (18-Month Lookback)

	Completed	Partially Completed	Not Implemented
Six Months Ended December 31, 2023	68%	26%	6%
Six Months Ended June 30, 2024	74%	20%	6%
Six Months Ended December 31, 2024	58%	35%	7%
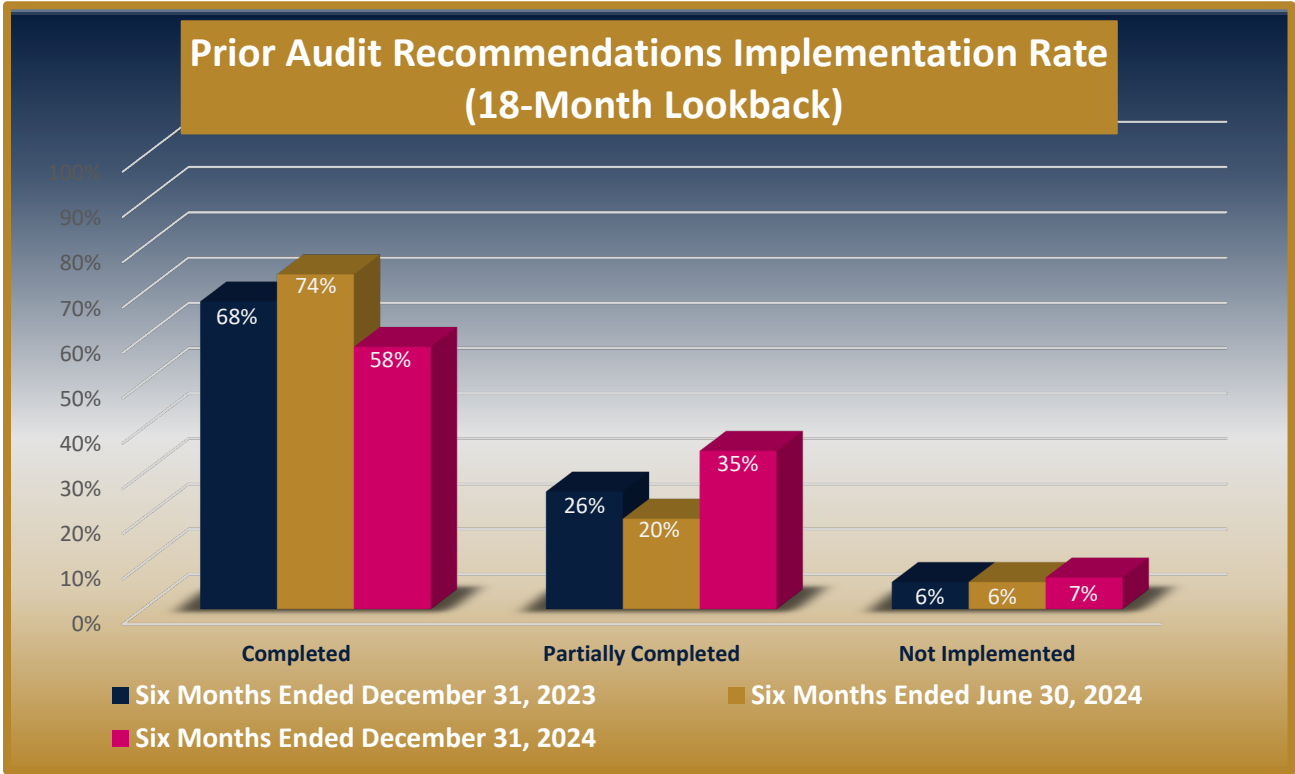
The following graphs display an aging of outstanding audit recommendations as of December 31, 2024, as reflected in the Platform, indicating the number of days delayed for those recommendations past due and the number of days remaining before due for implementation for recommendations with a revised due date.

Office of Internal Audit — Aging of University Audit Recommendations

Outstanding Recommendations Statistics by Original Due Date

Number of Days Past Due	Number of Recommendations	Average Complexity
Current	31	2.48
1-30	1	2
31-90	7	2.57
91-180	7	2.57
181-365	8	2
More than 365	7	2.14

Aging Graph

Office of Internal Audit — Pending University Audit Recommendations

Outstanding Recommendations Statistics by Revised Due Date

Days Remaining	Number of Recommendations	Average Complexity
Overdue	19	2.32
1-30	1	3
31-90	18	1.95
91-180	17	2.59
181-365	7	3.29
More than 365	0	0

Pending Graph

AUDIT RECOMMENDATIONS FOLLOW UP July 1, 2024 – December 31, 2024				
Areas Audited	**Total Due for Implementation**	**Implemented**	**Partially Implemented**	**Not Implemented**
Post-Tenure Faculty Review Process	2	2		
South Beach Wine and Food Festival Operations	1	1		
Stempel College of PH&SW	2	2		
Student Housing	4	4		
College of Arts, Sciences & Education Internal Controls	4	3	1	
Controls Over Protected Information	13	11	1	1
Cybersecurity Prevention Detection Controls - Ransomware	2		2	
Digital Brand Management	4	1	1	2
Facilities Assessments and Deferred Maintenance	2	1	1	
Financial Aid	1		1	
Grading Integrity Management	7	6	1	
Natural Disaster Preparedness and Response	2		2	
Panther TECH Operations	2	1		1
Payments to Separated Employees	9		9	
Totals	55	32	19	4
Percentages	**100%**	**58%**	**35%**	**7%**

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College of Arts, Sciences & Education Internal Controls (June 2, 2023)

1. Audit Issue: **Information Systems Security** (Recommendation #5.1)

    Recommendation:
    Ensure that grant administrators work with their designated IT Administrator to manage mobile devices via JAMF.

    Action Plan to Complete:
    The iPads have been added to School.apple.com, which is the initial step for JAMF. The iPads are currently being used for research at participants' houses. The CCF technician is working on getting the iPads added to JAMF. However, this can only be done when the participant returns the iPads after their research. The projects take a few weeks to a few months to complete per family. This will be an ongoing process but will provide an update in two months. [CSV download from the iPads that are currently on the Device Enrollment website (school.apple) and a screenshot that they are on the website were provided to the Office of Internal Audit.] Update as of January 2025: We have received a few of the iPads already and added them to JAMF. [An updated list of iPads that are missing JAMF was provided to the Office of Internal Audit.] We are expecting to get more iPads and will continue adding the iPads to JAMF.

    Original Target Date: August 24, 2023   New Target Date: July 11, 2025

Controls Over Protected Information (March 29, 2024)

1. Audit Issue: **Incident Response Planning** (Recommendation #1.1)

    Recommendation:
    Incorporate a version history, robust documentation practices, an explicit frequency for testing, incident tracking details, and well-defined testing procedures into the IRP.

    Action Plan to Complete:
    The IRP will be updated to include version history, incident tracking details, and testing.

    Original Target Date: October 31, 2024   New Target Date: October 31, 2024[1]

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[1] This recommendation was subsequently implemented on January 30, 2025.

2. Audit Issue: **Incident Response Planning** (Recommendation 1.5)

Recommendation:
Implement a training program that provides awareness and guidance related to GLBA risks mitigation and compliance requirements for issues that are identified through the recommendations from the third-party GLBA assessment.

Action Plan to Complete:
We have purchased the GLBA training content from a vendor. We will be creating the training course in FIU Develop and loading the SCORM file in the next couple of months. We are working with FIU Develop to onboard the training into the LMS. Gathering a list of users that are required to take the training from the various areas.

Original Target Date: October 25,2024   New Target Date: February 14, 2025

Cybersecurity Prevention & Detection Controls – Ransomware (November 15, 2022)

1. Audit Issue: **Protect: Identity Management and Access Control** (Recommendation #2.4)

Recommendation:
Implement a process to ensure that access to FIU systems is timely disabled for individuals who terminated employment with the University.

Action Plan to Complete:
To implement the solution, an automated system is necessary due to the time-consuming nature of performing this task every two weeks. I am currently developing an automated solution for the HR department, with a projected timeline of no more than 3 months to complete the entire process, including development, testing, debugging, and deployment.

Original Target Date: September 1, 2023   New Target Date: January 31, 2025

2. Audit Issue: **Security Continuous Monitoring** (Recommendation #3.8)

Recommendation:
Ensure the timely remediation of vulnerability reports.

I am requesting an extension for this audit item, since there is an issue with the Tenable website/reports. The last two reports we received only have a select number of lab machines. We have pushed the fix for the items with critical alerts. Most of the critical alerts were for Apache log4j item, an old version of WinSCP, outdated Oracle Java. We are unable to check our other machines since the servers are down. I brought this up to the Security team and they are working on a fix for CASTIC's computers. [Reports from June 3rd, 2024, and June 17th, 2024, were provided to the Office of Internal Audit for review.] We only see a handful of PANTHER machines, none AD. Most of the Apache Log4j critical vulnerabilities were ccmcache, which were removed with a PDQ Deploy package to remove from the machines, winSCP, Oracle Java, and Adobe reader updates were pushed, and ran Windows updates. We will continue updating the vulnerabilities after the issue is resolved. We just received a partial workaround for the issues we were experiencing. [We] [w]ill continue working on the vulnerabilities. [We are] [a]sking for an additional extension of 6 weeks, so we can make sure everything is working fine.

Original Target Date: September 1, 2023   New Target Date: February 21, 2025

Digital Brand Management (March 28, 2024)

1. Audit Issue: **Compliance With University Policy** (Recommendation #1.1)

    Recommendation:
    Implement a schedule to review and update the Policy to align with evolving business needs and technological advancements.

    Action Plan to Complete:
    SCGEA met with [the] Division of IT to collaborate on the updated policy and centralization of the launch process, the latter of which we will include as an operational standard. Our updated timeline for implementation based on our conversation with the Division of IT is December 2024. December 17, 2024, Update: We are expecting to have a newly drafted Digital Communications Policy over the next few days. It will be shared with the necessary parties for initial edits before running through the policy approval process. The plan is to review the policy annually. Our updated timeline is February 2025.

    Original Target Date: August 1, 2024   New Target Date: February 28, 2025

2. Audit Issue: **Compliance With University Policy** (Recommendation #1.3)

Recommendation:
Establish a centralized website launch process to ensure adherence to University branding standards and facilitate monitoring for compliance, functionality, and obsolescence.

Action Plan to Complete:
SCGEA met with [the] Division of IT to collaborate on the updated policy and centralization of the launch process, the latter of which we will include as an operational standard. Our updated timeline for implementation based on our conversation with the Division of IT is December 2024. We met with [the] Division of IT earlier in the semester, and we had hoped to have ironed out a new process, but we have not been able to reconnect with the team. We are continuing to find the best solution for centralizing the process of starting and launching websites. We have agreed in principle to run new web projects through SCGEA and require SCGEA approval for launch. We are working on mechanizing that process. Our updated timeline is March 2025.

Original Target Date: August 1, 2024   New Target Date: March 31, 2025

3. Audit Issue: **Social Media** (Recommendation #2.2)

Recommendation:
Finalize and implement a social media policy to provide units with guidance on the use of social media and facilitate oversight.

Action Plan to Complete:
Policy is drafted, we are finalizing the process.

Original Target Date: April 1, 2024   New Target Date: February 28, 2025

Facilities Assessments & Deferred Maintenance (August 7, 2023)

1. Audit Issue: **Life Cycle Asset Management Process** (Recommendation #1.3)

Recommendation:
Ensure all assets are included in VFA.

<u>Action Plan to Complete</u>:
Completed: The onsite Facilities Condition Assessments for the E&G areas were completed, and those assets have now been included in VFA as per audit recommendation 1.3.

Pending to complete:
A. In our previous update, we noted that we were pending to add the Housing assets to VFA (Parkview Housing and Tamiami Hall) as per audit recommendation 1.3. The PO for these additions was finally issued on October 7th and the onsite portion of the Facility Condition Assessment for the Housing facilities occurred during the week of November 18th.
B. We are now awaiting the final processing of the FCA data collected by Gordian/VFA for the Housing Facilities (Parkview Housing and Tamiami Hall) and for VFA/Gordian to enter those facilities and data into our VFA software database. This morning VFA/Gordian advised that this process should be completed by February 2025. As we are still waiting for the final set of data from VFA/Gordian to be entered into our VFA database by Gordian, we would like to request an additional 2-month extension.

Original Target Date: June 30, 2024   New Target Date: March 14, 2025

Financial Aid (February 10, 2017)

1. <u>Audit Issue</u>: **Enrollment Status** (Recommendation #2.1)

<u>Recommendation</u>:
Ensure that courses that do not count towards a program of study are excluded when determining a student's enrollment status and cost of attendance for federal student aid.

<u>Action Plan to Complete</u>:
The Course Auditor portion of the HighPoint implementation is ongoing. Configuration, testing, and review are already in progress. Due to the sensitivity and impact of this process on our students, we will begin by implementing Course Auditor in "simulation mode." This provides our Financial Aid Office and Academic Advising Technology teams a chance to tweak the configuration to account for exceptions, anomalies, or unclear configurations in the degree audit setup. Additional discussions and possible developments are being planned to address any type of appeal associated with non-Pell covered courses. Once both Financial Aid and Academic Advising complete their review and approval of simulation testing, we will turn on the self-service aspect of the module for students to view in MyFIU. The Course Auditor module also has a dependency on Message Center, which has a planned go-live of early Spring. We are beginning the phased deployment in Fall 2024

and Spring 2025 through the beginning of Summer 2025, with full deployment by Fall 2025. <u>November 14, 2022 Update</u>: On 09/21/2022, the Pell Load team reviewed feasibility reports focusing on three potential solutions; these included:

1. Impact Analysis Report (impact on student aid); this option is a continuance of current attempt to focus on reporting tools while making no modifications to source tables.
2. Free Electives Table Setup; via this solution, we would use a table set-up to flag courses that will likely not count toward students' academic loads (academic advisors and students would resolve problems). This option would use minimal levels of automation.
3. New Free Elective Requirement; this option constitutes a change to the PDA. The project team developed several queries to examine the impact of each option on advisor's workload, accuracy in identifying courses not applicable to Pell load, and impact on student enrollment experience. Based on discussions of these queries, the project team decided that option three constituted our best course of action. By creating a new Free Electives Requirement Group, we can capture courses that satisfy the requirement and identify enrollments that are not applicable to each student's degree plan. Students and advisors will be able to identify courses that we exclude from Pell load through the PDA, and they can make enrollment plans based [on] enhanced data. However, this option constitutes a substantial increase in the scope of work associated with the Pell Load project. The project also requires an updated implementation timeline [Supporting document was provided to the Office of Internal Audit]. As we deploy the enhanced PDA, we will include CUAA leads at each phase of development. We expect to place the new requirements table into production for all programs in the College of Arts Science & Education and the College of Business in August 2023. We will conclude our last deployment to production with Hospitality Management in May 2024. Note: For purposes of this management report, I am considering the first-live deployment as an expected completion date.

We are rebuilding the process with focus on Edunav development and BI reporting.
1. August 6-7, 2024: Test automation process
2. Edunav Insights Boomi Process Development – Completed
3. August 12, 2024: Migration of Edunav Insights Boomi Process to Production
4. August 17, 2024: Create PDA/FIN Aid model to generate report
5. August 19, 2024: Review EduNav Insights data to integrate into the PDA/FIN Aid model for review
6. August 22, 2024 (Fall 2022 Starts) Provide report for review
7. August 29, 2024: Schedule a meeting with the team to review report and address any questions
8. September 6, 2024: Review Report of all the Pell population with Financial Aid and Academic Advising Team

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9. September 12, 2024: Provide report to this group
10. Schedule meeting to discuss the Implementation and deployment steps.
11. October 28, 2022: University wide deployment

Original Target Date: July 31, 2017   New Target Date: August 17, 2025

Grading Integrity Management (November 19, 2024)

1.   Audit Issue: **PantherSoft Security Controls** (Recommendation #1.7)

   Recommendation:
   Implement an auditing mechanism within the TIDAL account system to log user ID, timestamp, and details of modifications to settings controlling NC grades.

   Action Plan to Complete:
   Due to the timing of the end of year processes for Fall 2024 we were unable to perform final testing and approval until 1/6/2025. Therefore, due to the requirement to clear the app server cache, which will slow down the Campus Solutions system during our peak period at the beginning of Spring term, IT will not be able to move this project to production until after the migration freeze on January 16, 2025. However, all that is left now is for this project to be migrated to production and it will be resolved once moved. Also, as part of this effort, SRTIDAL will lose access to this process, and only the specific users we have identified from our office will be able to run this process for Spring 2025 and future terms. Please note that SRTIDAL processes, including the NC process, are not set to run again until after the end of Spring term. Therefore, for us to be able to provide supporting documentation and proof that the process is working as intended we will not have data to support it until mid-May 2025, after all end of term processes for Spring 2025 are completed. Due to all these factors, we need to update the due date to May 30, 2025. [Supporting documentation of the routine having been tested and approved in non-production environments was provided to the Office of Internal Audit.]

   Original Target Date: December 30, 2024   New Target Date: May 30, 2025

Natural Disaster Preparedness and Response (November 2, 2023)

1.   Audit Issue: **Fire Extinguishers** (Recommendation #1.1)

   Recommendation:
   Ensure that all required fire extinguisher inspections and servicing are timely completed.

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EH&S will have to extend the completion date due to budgetary complications. The fire extinguisher program has been unexpectedly removed from Auxiliary operations and placed into Education & General operations by the Department of Auxiliary and Enterprise Development. Unfortunately, this migration took place after the beginning of the Fiscal Year and Education & General is struggling to fund the operation since it is an unforeseen expense. We are currently servicing the fire extinguishers with whatever money is available to do so.

Original Target Date: April 15, 2024   New Target Date: June 30, 2025

2. Audit Issue: **Fire Extinguishers** (Recommendation #1.3)

Recommendation:
Explore implementing a fire extinguisher inspection management solution to facilitate the inspection process and improve record keeping.

Action Plan to Complete:
Inspection management solution is live and partially implemented; however, this recommendation cannot be fully implemented until Recommendation 1.1 has been completed.

Original Target Date: January 31, 2024   New Target Date: June 30, 2025

Panther Tech Operations (February 22, 2024)

1. Audit Issue: **Revenue Recognition (Matching Principle)** (Recommendation #2.1)

Recommendation:
Ensure that the balance of customer payments received for goods that have yet to be received from the supplier are reflected in PantherSoft Financials as unearned revenue rather than revenue at year end.

Action Plan to Complete:
[We are] [r]equesting an extension for the Controller's Office to provide a solution for this finding that will be useful for Panther Tech and not interrupt other Auxiliary Business practices.

Original Target Date: August 1, 2024   New Target Date: February 28, 2025

Payments to Separated Employees (November 15, 2023)

1. **Audit Issue: Policies, Procedures, and Controls** (Recommendation #1.1)

   Recommendation:
   Perform a comprehensive legal and operational review of FIU Policy 1710.280 Separations from Employment and align said policy with the Florida Statute 215.425.

   Action Plan to Complete:
   We conducted a comprehensive legal and operational review of the FIU policy 1710.280, Separations of Employment, to align with Florida Statutes Section 215.425. We also took this as an opportunity to improve the Separations of Employment policy for other operational considerations which is still underway.

   Original Target Date: February 15, 2024   New Target Date: February 28, 2025

2. **Audit Issue: Policies, Procedures, and Controls** (Recommendation #1.2)

   Recommendation:
   Review and update the department's policies, procedures, forms, and website to ensure consistency and reflection of current business practices.

   Action Plan to Complete:
   We will continue working with the relevant departments to complete the review and identification of policies, procedures, forms, and website.

   Original Target Date: November 14, 2024   New Target Date: June 30, 2025

3. **Audit Issue: Employment Contracts, Separation Agreements, and Letters** (Recommendation #2.2)

   Recommendation:
   Ensure all employment contracts, separation agreements, and notice period payments comply with FIU Policy 1710.280 *Separations of Employment* and Florida Statute.

   Action Plan to Complete:
   The Office of General Counsel has started reviewing the policies to make sure FIU policies comply with Florida Statute.

   Original Target Date: February 15, 2024   New Target Date: February 28, 2025

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4. Audit Issue: **Separation from Employment/Transfer Clearance Form (**Recommendation #4.1)

    :
    Evaluate the Separation from Employment/Transfer Clearance Form submission deadline against best business practice. Then, update and communicate the submission deadline requirements across all available resources.

    Action Plan to Complete:
    Policy and the Separation from Employment/Transfer Clearance Form have been reviewed and updated to reflect appropriate language concerning the submission of the form. Both documents are currently being vetted through General Counsel for Review and Approval. The Separation Policy & Procedures, as well as the Separation from Employment/Transfer Clearance Form will reflect language concerning the submission deadlines and such information will be communicated to the university community across all available resources. The expected completion date has been changed to align with the expected completion date of the electronic Separation from Employment/Transfer Clearance Form - June 30. 2025.

    Original Target Date: December 15, 2023   New Target Date: June 30, 2025

5. Audit Issue: **Separation from Employment/Transfer Clearance Form** (Recommendation #4.2)

    Recommendation:
    Update the Separation from Employment/Transfer Clearance Form to include only pertinent checklist items and a method to report outstanding items. Consider including instructions and contact information for checklist items.

    Action Plan to Complete:
    We have reviewed the form and have created specifications to develop an on-line form within PantherSoft HR and it is in queue for development. As a result of the new online form, we are going to address the audit recommendations.

    Original Target Date: February 15, 2024   New Target Date: June 30, 2025

6. Audit Issue: **Separation from Employment/Transfer Clearance Form** (Recommendation #4.3)

    Recommendation:
    Explore eliminating the manual Separation from Employment/Transfer Clearance Form and automating the process by creating an online clearance form that

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incorporates a workflow that includes departments that are more likely to impact the employees' final payout.

<mark>Action Plan to Complete</mark>:
HRIS is in the process of developing an on-line form with workflow to eliminate the current form.

Original Target Date: November 14, 2024   New Target Date: June 30, 2025

7. <u>Audit Issue</u>: **Separation from Employment/Transfer Clearance Form** (Recommendation #4.4)

<mark>Recommendation</mark>:
Provide Supervisors/Department Heads with training on the Separation from Employment/Transfer process. Then, monitor the completion of key components to identify areas of improvement and accountability.

<mark>Action Plan to Complete</mark>:
DHR is still in the process of developing an on-line training that Supervisors/Department Heads will be able to take on-demand and will allow central HR to track completion rates.

Original Target Date: November 14, 2024   New Target Date: June 30, 2025

8. <u>Audit Issue</u>: **Overpayments and Employee Debt Collection** (Recommendation #5.1)

<mark>Recommendation</mark>:
Monitor the causes of overpayments and use the data to gain insight on process improvements and provide departments with focused training and/or a basis for ensuring accountability.

<mark>Action Plan to Complete</mark>:
We have updated the spreadsheet used to track all overpayments to include the following fields: Department, Business Unit, Salary Admin Plan, and Contract type if applicable. These fields have been added to better identify reasons for overpayments, responsible unit and identifying trends to create targeted training. We will be analyzing the data in June to identify pertinent topics and prepare training before the beginning of the Academic year. We have collected the overpayment data through end of fiscal year (06/30/2024) and an analysis will be completed to create a training plan for Fall 2024. We will be focusing our targeted training on Contract cancellations for Graduate Assistants, Adjuncts and Late Terminations for the corresponding Business Units. Full implementation will be completed once the training has been offered by the end of the Fall semester 2024. Going forward, the overpayment analysis

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will be done on a calendar year basis and trainings will be provided in the following year's Spring semester. The first training will be conducted on 12/17/2024 with the College of Arts, Sciences & Education.

Original Target Date: February 15, 2024   New Target Date: February 28, 2025

9. Audit Issue: **Overpayments and Employee Debt Collection** (Recommendation #5.2)

Recommendation:
Notify employees of the intent to set off debt against future wages and/or wages due at separation by certified mail as required by the FIU Regulation.

Action Plan to Complete:
Going forward the Payroll Department will communicate by certified letter only in cases where the wages are being collected from remaining wages when the payout is not enough to collect. ([O]verpayment collection procedures have been updated.) [We are] [w]orking with [the Office of the General Counsel] to revise regulation 1111 - Employee Debt Collection.

A. June 30, 2024: Still in the process of revising the Policy. Once the final edits are completed, it will be submitted to the General Counsel for final review and approval.
B. September 30, 2024: We have had one instance where an employee was notified by certified letter of the intent to collect from future wages. The letter has been uploaded for [the Office of Internal Audit] information.
C. Also, [The proposed revised FIU Regulation 1111 - Employee Debt Collection was provided for the Office of Internal Audit's review]. The intent is to differentiate the collection of overpaid wages [from] other debts. The following information was gathered from the Department of Labor: According to Federal law, accidental overpayment is treated as an advance of wages. This means that the employer can recoup their money by deducting the amount that was overpaid from an employee's future paycheck, even if doing so cuts into the employee's minimum wage or overtime payment. The revised regulation is being reviewed by the General Counsel office. Regulation 1111 has been submitted for review at the next BOT meeting.

Original Target Date: December 15, 2023   New Target Date: February 28, 2025

Investigation and Consulting Activities

The Office of Internal Audit receives complaints of alleged wrongdoing, including suspected fraud, waste, and abuse. Since our last quarterly report to the Audit and Compliance Committee, we have received five (5) complaints of wrongdoing and have evaluated their significance and credibility and have triaged them. In addition, we have closed out four (4) cases that either were investigated by us or referred to other appropriate units to investigate. If a complaint was determined to be significant and credible, the appropriate individuals would have been informed about such complaints.

Our office continues to provide management advisory services and support to other University units through the OIA staff's participation in workgroups and advising on process improvement efforts.

Quality Assurance Improvement Program – External Quality Assurance Review

The Office of Internal Audit is required to undergo an external quality assurance review (QAR) at least every five years. A team of independent external reviewers completed a QAR of the Office of Internal Audit to assess the Office's conformance with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* ("Standards") and Code of Ethics. The review also sought to identify opportunities to enhance the Office's operations with recommended best practices.

The Office received a rating of "**Generally Conforms**," the highest of three possible ratings that can be achieved. The review also concluded that the Office adhered to the Code of Ethics in carrying out its function. The review team recognized the Office's incorporation of several best practices into its operations and offered some suggestions to enhance operations further. The Chief Audit Executive welcomed the review team's recommendations and has developed a plan of action to implement them. The final QAR report and the attendant plan of action will be presented to the Audit and Compliance Committee for the Committee's review and approval.

Other Matters

There is one vacancy—an Assistant Director Audit. Additionally, two staff members are on extended leave.