

**Audit and Compliance Committee****June 12, 2025****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 8:36 AM on Thursday, June 12, 2025.

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; Carlos A. Duarte, *Board Vice Chair*; George Heisel; and Jesus Lebeña.

Trustee Chanel T. Rowe was excused.

The following Board members were also in attendance: Trustees Francesca Casanova, Dean C. Colson, Alexander M. Peraza, 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 February 13, 2025. Hearing none, a motion was made and unanimously passed to approve the minutes of the Audit and Compliance Committee meeting held on February 13, 2025.

3. Action Items: Committee Action | Full Board Information Only**3.1 University Compliance and Integrity Work Plan, 2025-26**

Chief Compliance and Privacy Officer Ms. Jennifer LaPorta presented for Committee review and approval the University Compliance and Integrity Work Plan for the 2025-26 fiscal year. She indicated that the plan is built around the seven (7) elements of an effective compliance program, as defined by the U.S. Federal Sentencing Guidelines. She added that for each element, the plan outlines a clear definition and standard of what is expected, the core and ongoing compliance activities that support that element, and the planned enhancements to strengthen the University's compliance infrastructure. Ms. LaPorta noted that the Office of Compliance continues to work closely with the Office of General Counsel and University leadership to monitor and respond to changes in the regulatory landscape, including executive orders, agency guidance, and shifts in enforcement. She commented on objectives related to foreign influence and global risk, including University-wide restricted party screening, international travel compliance dashboard, international

travel training module, drone webpage, research security website, foreign reporting, and export control trainings.

Ms. LaPorta pointed out that Florida Board of Governors (BOG) Regulation 4.003, requires each university to undergo an external review of its compliance and ethics program at least once every five (5) years. She added that the Office of Compliance is scheduled to complete its second external review in fiscal year 2025–26, with results to be submitted to the Board of Trustees. She stated that the Office of Compliance will also be developing initiatives and priorities based on an internal compliance program assessment conducted in preparation for the five-year program review. Ms. LaPorta noted that the Office of Compliance will be building on the existing mandatory reporting of child abuse and neglect training to develop an expanded module that will include additional legal responsibilities and risk considerations for those working directly with minors and will be required for department heads and personnel involved in programs or activities involving minors. Ms. LaPorta mentioned that a new, user-friendly policy library and development platform will launch in fiscal year 2025–26 and that to support the new platform, the Office of Compliance is undertaking a comprehensive cataloguing of all current and archived University-wide policies to ensure a smooth transition to the new policy library.

Ms. LaPorta indicated that in preparation for the changes taking effect on July 1, 2025, the Office of Compliance is working closely with Athletics Compliance, the Office of General Counsel, and Athletics leadership to implement new requirements stemming from the House v. NCAA (National Collegiate Athletic Association) settlement. She added that the new requirements include revenue sharing with student-athletes, enhanced oversight of NIL (name, image, and likeness) activities, and new compliance reporting and roster management standards. Ms. LaPorta remarked that Athletics Compliance and the Department of Athletics will be launching a new, integrated platform to modernize NCAA compliance and recruiting operations and enhance coordination, reduce compliance risk, and help prevent violations. She commented that the Office of Compliance will launch the new Ethical Panther Hotline in fiscal year 2025–26, which will feature improved usability, automated workflows, and enhanced root cause analysis capabilities.

A motion was made and unanimously passed that the FIU Board of Trustees Audit and Compliance Committee approve the University Compliance and Integrity Work Plan for fiscal year 2025-26.

3.2 Internal Audit Plan, 2025-26

Chief Audit Executive Mr. Trevor L. Williams presented for Committee review and approval the Internal Audit Plan for the 2025-26 fiscal year. He remarked on the plan's authority, namely, that BOG Regulation 4.002, State University System Chief Audit Executives, stipulates that the chief audit executive should develop a risk-based audit plan and that the plan should provide an overview of the audits and other significant engagements planned for the fiscal year. He added that the FIU Board of Trustees Audit and Compliance Committee Charter requires that the Audit and Compliance Committee review and approve the Office of Internal Audit annual plan, and any subsequent changes thereto. Mr. Williams explained that the plan was developed using a systematic risk-based approach with input from University stakeholders and considered certain factors, such as materiality, regulatory requirements, areas of special concern, inherit risk, known exposure, prior investigation results, and past audit coverage.

Mr. Williams pointed out that the planned audits include six (6) carryover audits from the prior year's plan in addition to four (4) new advisory services and eight (8) new audits. He explained that the plan details the planned audits through 2030 and aims to provide audit coverage in areas with higher risks and to utilize audit resources efficiently. He added that some audits are required either by regulation or contract provisions. Mr. Williams indicated that the proposed new audits pertain to student health center services operation, project administration and funding, purchasing and competitive bidding process, construction accident reporting, Jeanne Clery Act compliance, follow-up of prior audit recommendations, and continuous auditing.

A motion was made and unanimously passed that the FIU Board of Trustees Audit and Compliance Committee approve the University Internal Audit Plan for fiscal year 2025-26.

4. Action Items

AC1. Proposed Revisions to Audit and Compliance Committee Charter

Mr. Williams presented the proposed revisions to the FIU Board of Trustees Audit and Compliance Committee Charter for the Committee's review. He indicated that BOG Regulation 4.002 provides that each board of trustees audit and compliance committee shall have a charter approved by the board of trustees and reviewed at least every three (3) years. He noted that the planned Charter review also aligned with the recently issued Global Internal Audit Standards™. Mr. Williams pointed out that the key objectives of the review ensure the Charter's consistency with BOG and University regulations, professional standards, and best practices. He delineated key revisions, including articulating the Committee's authority to: (1) approve the Office of Internal Audit Charter and (2) review and approve modifications to the organizational structure for the Offices of Internal Audit and Compliance and Integrity. Mr. Williams added that the proposed revisions also allow for the Committee's Chair to determine the protocol for meeting separately with the Office of Internal Audit and senior management.

A motion was made and unanimously passed that the FIU Board of Trustees Audit and Compliance Committee recommend FIU Board of Trustees approval of the proposed revisions to the Audit and Compliance Committee Charter.

AC2. Proposed Revisions to the Office of Internal Audit Policy and Charter

Mr. Williams presented the proposed revisions to the Office of Internal Audit Policy and Charter for the Committee's review. He indicated that, similarly to the Committee's Charter, BOG Regulation 4.002 requires that the Board of Trustees review the Office of Internal Audit Policy and Charter at least every three (3) years. Mr. Williams pointed out that while the last revision to the Office of Internal Audit Policy and Charter was conducted in June 2023, the proposed revisions to the Office's Charter include key requirements and considerations as delineated in the Global Internal Audit Standards™. He added that the review ensures the Office of Internal Audit Charter's consistency with BOG and University regulations, professional standards, and best practices. Mr. Williams delineated key revisions, including describing the Office of Internal Audit's risk management responsibilities and informing the Committee of significant unresolved disagreements with senior management and management's acceptance of unacceptable levels of risk.

A motion was made and unanimously passed that the FIU Board of Trustees Audit and Compliance Committee recommend FIU Board of Trustees approval of the proposed revisions to the Office of Internal Audit Policy and Charter.

5. Discussion Items

5.1 Office of University Compliance and Integrity Quarterly Report

Ms. LaPorta indicated that the third quarter prioritized monitoring and determining necessary institutional response to executive orders and federal agency guidance. She commented that the Office of Compliance gathered the information necessary to review and determine reportable gifts and contracts for both the state and federal reports that were submitted in late January. She noted that the University's Report on Foreign Travel to Countries of Concern will be shared with the Board of Trustees via memo in July listing any FIU work-related travel to countries of concern over the past year. Ms. LaPorta remarked that the Office of Compliance collaborated with FIU Global to assess international travel compliance and implemented system and process improvements based on the findings. She mentioned that the Office of Compliance also worked with leadership in the Herbert Wertheim College of Medicine to redesign and re-prioritize the University's health affairs compliance program to align with the changes that will take place with the Baptist partnership. Ms. LaPorta stated that Mr. Ernesto Rodriguez has joined the Office of Compliance as Foreign Influence Compliance Manager.

5.2 Office of Internal Audit Status Report

Mr. Williams presented the Office of Internal Audit Status Report, reporting on the following recently completed audits: continuous auditing of selected processes for the period of April 1, 2024 through June 30, 2024; IT vendor management; and background checks for those working with at-risk individuals. He noted that the continuous auditing of selected processes focused on certain specific areas of concern to identify anomalous transactions and red flags. Mr. Williams commented that the results included one (1) employee with a related party transaction of \$9,200 who did not disclose the relationship in an Outside Activity/Conflict of Interest form and one (1) former employee improperly reimbursed travel expenses of \$335 that were paid for with a University purchasing card. He added that the process owners informed the Office of Internal Audit of their plans of action to address the issues identified.

Mr. Williams stated that the audit pertaining to IT vendor management concluded that the University has incorporated many of the in-scope control activities required for effective vendor management related to the acquisition and management of IT services and solutions. He added that the audit identified a few control activities that would strengthen this function further and offered three (3) recommendations. Mr. Williams indicated that the Office of Internal Audit evaluated the effectiveness of the University's background check process for those individuals working with minors and vulnerable populations. He noted that the audit examined whether University policies align and comply with applicable statutes and regulations, background checks are completed timely, programs provided on campus are properly monitored, and agreements involving at-risk individuals included required safeguards. Mr. Williams pointed out that the audit confirmed that the University's background check policy aligns with applicable statutes and regulations. He further stated that the audit identified process gaps in the decentralized management of programs involving at-risk

individuals, highlighting the need for improved oversight to enhance safety, accountability, and compliance. He commented that eight (8) recommendations were offered.

Mr. Williams noted that there are seven (7) audits in various stages of completion. He pointed out that the Office of Internal Audit receives complaints of alleged wrongdoing, including suspected fraud, waste, abuse, and mismanagement. He added that since the Committee's last meeting, the Office of Internal Audit has received six (6) such complaints and nine (9) complaints were closed out. Mr. Williams noted that the Office of Internal Audit completed an investigation into activities related to summer camps operated by current and former FIU Athletics staff members.

6. New Business

6.1 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, Senior Vice President for Operations and Safety 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 nothing further to bring to the Committee's attention regarding the audit process.

7. 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, June 12, 2025, at 9:44 AM.