



**Audit and Compliance Committee**  
**September 14, 2021**  
**FIU, Modesto A. Maidique Campus, Graham Center Ballrooms and via Zoom**

**MINUTES**

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**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 Gene Prescott at 8:08 a.m. on Tuesday, September 14, 2021.

General Counsel Carlos B. Castillo conducted roll call of the Audit and Compliance Committee members and verified a quorum. Present were Trustees Gene Prescott, *Chair*; Natasha Lowell; Joerg Reinhold; Chanel T. Rowe (*via Zoom*); Alexander Rubido; and Carlos Trujillo (*via Zoom; joined after roll call*).

Board Chair Dean C. Colson, Board Vice Chair Roger Tovar, and Trustee Donna J. Hrinak, and University President Mark B. Rosenberg also were in attendance.

Committee Chair Prescott welcomed all Trustees and members of the University administration.

**2. Approval of Minutes**

Committee Chair Prescott asked that the Committee approve the minutes of the meeting held on June 16, 2021. A motion was made and unanimously passed to approve the minutes of the Audit and Compliance Committee meeting held on June 16, 2021.

**3. Discussion Items**

**3.1 Audit and Compliance Committee Charter**

Chief Audit Executive Mr. Trevor L. Williams indicated that, pursuant to the Audit and Compliance Committee Charter, the Charter shall be reviewed every two years. He mentioned that in fulfilling said requirement, the General Counsel, Chief Compliance Officer, and Chief Audit Executive met to discuss the Charter and agreed that no changes to the Charter should be presented at the current meeting for approval. Mr. Williams added that while minor revisions were identified as part of the review process, the identified revisions would be postponed due to a more substantive revision that is anticipated. He pointed out that the University will need to develop its own regulation to address the proposed Board of Governors (BOG) Regulation 3.003, Fraud Prevention and Detection. He explained that once the University regulation has been finalized and adopted, the proposed Charter revisions will be presented to the Board of Trustees for review and approval.

**3.2 Office of Internal Audit Status Report**

Mr. Williams presented the Internal Audit Status Report, commenting on recently completed audits. He noted that the Audit pertaining to Procurement and Competitive Bidding Procedures concluded

that there are adequate and effective controls in place for the purchase of commodities and contractual services. Mr. Williams added that the informal and formal solicitation processes follow state statutory competitive solicitation and exceptions requirements. He indicated that the Audit identified operational enhancements, specifically performing advanced spend analysis, improving the documentation related to certain activities in the procurement process, and ensuring that prices obtained on blanket purchase orders are adequately verified against the contract. He pointed out that six recommendations were offered at the conclusion of the audit and that management agreed to implement said recommendations.

Mr. Williams remarked on the Audit relating to Media Sanitization Guidelines and Controls, stating that the purpose of the Audit was to ensure that media used at the University are properly sanitized whenever transferred or disposed and said processes are compliant with National Institute of Standards and Technology (NIST) guidelines. He delineated the audit findings to highlight areas where FIU has opportunities to strengthen the media sanitization process, specifically the need to formally document the standardization procedures for media type in an operational manual, improving the recordkeeping pertaining to sanitized devices, implementing procedures for the verification of sanitization results, defining the frequency for testing and calibrating sanitization equipment, and developing training content that is specific to FIU media sanitization protocol. Mr. Williams indicated that 13 recommendations were offered, and that management agreed to implement said recommendations.

Mr. Williams highlighted the eight (8) audits that are in various stages of completion. He commented on the audit recommendation follow-up status report, noting that of the 28 recommendations due for implementation during the past six-month period ending July 31, 2021, 25 or 89% were completed, and three (3) or 11% were partially implemented. He remarked on consulting and advisory services, specifically relating to Higher Education Emergency Relief Fund (HEERF I, II, and III) use guidelines, the draft BOG Regulation on foreign influence, and the proposed University Antifraud Regulation development.

In response to Board Vice Chair Roger Tovar, Mr. Williams indicated that the three (3) pending prior audit recommendations that have not been fully implemented do not present any undue exposure to the University that is unacceptable, adding that while management has taken certain actions to-date, matters relating to timing and extenuating circumstances resulted in the recommendations not being fully implemented. Board Vice Chair Tovar inquired as to the Athletics-related investigation described as part of the Office of Internal Audit Status Report and requested that future investigations and whistleblower complaints include a summary on the conclusion reached. Responding to Board Vice Chair Tovar's inquiry on the Athletics-related investigation, Mr. Williams pointed out that the Office of Internal Audit investigated a series of complaints and of the complaints that were lodged, four (4) were substantiated. He added that the Office of Internal Audit communicated the investigation findings with the Department of Athletics and issued approximately six (6) recommendations aimed at addressing the issues identified as part of the substantiated complaints.

In response to Trustee Natasha Lowell, Mr. Williams pointed out that management has outlined specific guidelines and methodologies in terms of how Coronavirus Aid, Relief, and Economic

Security (CARES) Act and HEERF funds are distributed. Further responding to Trustee Lowell, Senior Vice President for Administration and Chief Financial Officer Kenneth A. Jessell indicated that student funding is direct aid to cover costs associated with COVID-19 and has no associated requirements or repayment obligations.

### **3.3 Office of University Compliance and Integrity Quarterly Report**

Chief Compliance and Privacy Officer Jennifer LaPorta provided work plan updates and highlighted key aspects of the University Compliance and Integrity Annual Report. She commented on initiatives that have positioned the University to comply with the evolving legal and compliance requirements faced in the area of foreign influence and global risk. She provided an overview of HB 7017 and FIU's institutional response, noting that two (2) attorneys from the FIU Office of the General Counsel participated in the BOG taskforce, which developed the BOG Regulation related to HB 7017. Ms. LaPorta added that FIU's Foreign Influence and Global Risk Taskforce participated in a dedicated session and presentation regarding the new Florida Statutes relating to foreign influence. She further added that, as Chair of the Taskforce, she oversees the four distinct subcommittees formed to address the requirements of the five (5) statutes related to HB 7017 and that each subcommittee is resourced with key University relevant stakeholders and tasked with specific responsibilities.

Ms. LaPorta commented on the three-year policy review, noting that a total of 413, or 65%, University policies were substantially reviewed and revised to accommodate an updated Policy template. She pointed out that in the 2019-20 plan year, a 99% completion rate was achieved for mandatory compliance trainings. She mentioned that since the last Audit and Compliance Committee meeting, FIU's official Name, Image, and Likeness Policy was drafted and published, a robust student-athlete communication and education campaign was initiated, and a third-party administrator, INFLCR, was contracted to support student-athletes and manage the disclosure process. Ms. LaPorta mentioned that the Compliance calendar was upgraded, in collaboration with IT, in the 2019-20 plan year to develop an automated, user-friendly process to issue reminders and record verification of compliance obligations. She indicated that the University is currently engaged in the five-year assessment of the Compliance Program, as required by the BOG, noting that the results will be submitted to the BOG and reported to the FIU Board of Trustees Audit and Compliance Committee. She remarked on the Ethical Panther Hotline and Case Management Platform, adding that 35 new cases have been reviewed and tracked since the launch of the new platform in late April.

Trustee Donna J. Hrinak requested that Ms. LaPorta keep the Committee apprised of developments regarding HB 7017, specifically relating to the possible implications on how researchers and other travelers engage with counterparts outside of the United States. Ms. LaPorta mentioned that it is critical that FIU ensures that processes remain efficient and effective in order for the University to continue its work and in terms of attracting researchers, faculty, and students. In response to Trustee Joerg Reinhold, Ms. LaPorta commented that it is too early to know if HB 7017 has impacted the hiring of foreign researchers.

## **4. Reports**

There were no questions from the Committee members in terms of the annual reports.

## **5. New Business**

### **5.1 Senior Management Discussion of Audit Processes**

Committee Chair Prescott noted that, as is stipulated in the Audit and Compliance Committee Charter, the Committee must meet with the Office of Internal Audit and senior management, separately, to discuss the audit process. He further noted that because this meeting is conducted in the Sunshine, no one present or participating via Zoom or accessing the meeting via the webcast was required to exit those platforms during the discussion with senior management, adding that this was strictly voluntary. The Committee met with senior management. Trustee Prescott commended the work of Mr. Williams and Ms. LaPorta. There were no questions or further comments from the Committee members or senior management.

## **6. Concluding Remarks and Adjournment**

With no other business, Committee Chair Gene Prescott adjourned the meeting of the Florida International University Board of Trustees Audit and Compliance Committee on Tuesday, September 14, 2021, at 8:53 a.m.