FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE

FIU, Modesto A. Maidique Campus, Graham Center Ballrooms
Livestream: http://webcast.fiu.edu/

Tuesday, September 14, 2021
8:00 a.m.

Chair: Gene Prescott
Members: Natasha Lowell, Joerg Reinhold, Chanel T. Rowe, Alexander Rubido, Carlos Trujillo

AGENDA

1. **Call to Order and Chair's Remarks**   Gene Prescott

2. **Approval of Minutes**   Gene Prescott

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

   3.1 **Audit and Compliance Committee Charter**   Trevor L. Williams

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

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

4. **Reports** *(For Information Only)*

   4.1 **Office of Internal Audit Annual Report 2020-21**   Trevor L. Williams

   4.2 **University Compliance Program Annual Report 2020-21**   Jennifer LaPorta

5. **New Business**   Gene Prescott

   5.1 Senior Management Discussion of Audit Processes

6. **Concluding Remarks and Adjournment**   Gene Prescott

The next Audit and Compliance Committee Meeting is scheduled for Wednesday, December 8, 2021

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FIU Board of Trustees Audit and Compliance Committee Meeting

Time: September 14, 2021 8:00 AM - 9:00 AM EDT

Location: FIU, Modesto A. Maidique Campus, Graham Center Ballrooms | Livestream: http://webcast.fiu.edu/

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Approval of Minutes

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Audit and Compliance Committee
September 14, 2021

Subject: Approval of Minutes of Meeting held June 16, 2021

Proposed Committee Action:
Approval of Minutes of the Audit and Compliance Committee meeting held on June 16, 2021, at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms and via Zoom.

Background Information:
Committee members will review and approve the Minutes of the Audit and Compliance Committee meeting held on June 16, 2021, at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms and via Zoom.

Supporting Documentation:	Minutes: Audit and Compliance Committee meeting, June 16, 2021
Facilitator/Presenter:	Gene Prescott, *Audit and Compliance Committee Chair*

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FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE
MINUTES
JUNE 16, 2021

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 8:09 a.m. on Wednesday, June 16, 2021, at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms and via Zoom.

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 *(via Zoom)*; Joerg Reinhold; Chanel T. Rowe *(via Zoom)*; Alexander Rubido; and Carlos Trujillo *(via Zoom)*.

Board Chair Dean C. Colson, Board Vice Chair Roger Tovar *(via Zoom)*, Trustees Donna J. Hrinak, and Marc D. Sarnoff, and University President Mark B. Rosenberg also were in attendance.

Committee Chair Prescott welcomed all Trustees and members of the University administration. He explained that Trustees and University administrators and staff were attending via the virtual environment and that the University community and general public had access to the meeting via the University's webcast.

Committee Chair Prescott welcomed Student Government President and student Trustee, Alexander Rubido.

2. Approval of Minutes

Committee Chair Prescott asked that the Committee approve the minutes of the meeting held on February 23, 2021. A motion was made and unanimously passed to approve the minutes of the Audit and Compliance Committee meeting held on February 23, 2021.

3. Follow-up from Previous Meeting

Committee Chair Prescott commented that at the Committee's December 3, 2020, meeting, President Rosenberg stated that the University would be conducting a full review of the Athletics Departments' Health Services Billing and Collections Process that was the subject of the recent Athletics audit. Committee Chair Prescott remarked that since that time, the Office of Internal Audit has continued to provide support to Athletics, the Chief Financial Officer, and the General Counsel's efforts in resolving the issues reported in said audit. Committee Chair Prescott requested that Chief Audit Executive Mr. Trevor L. Williams provide an update.

Florida International University
Board of Trustees
Audit and Compliance Committee
Minutes
June 16, 2021
Page | 2

Mr. Williams pointed out that there was no indication of fraud by Vivature or FIU. He explained that both parties have worked collaboratively over the past six (6) months to reach an agreeable path forward as it pertains to the electronic medical records component. He remarked that, effective September 28, 2020, Athletics ceased billing for medical records services under the existing Viviature agreement. Mr. Williams indicated that FIU has negotiated a new agreement with Vivature for electronic medical record services only, for an annual cost of $5,580, noting that said agreement will take effect on August 1, 2021. He explained that, as a condition to entering into said agreement, Vivature had to meet certain conditions. Specifically, Mr. Williams noted that Vivature must be Higher Education Community Vendor Toolkit (HECVAT) IT compliant. He indicated that the new agreement includes both the required FIU supplemental procurement and the Family Educational Rights and Privacy Act (FERPA) addenda. Mr. Williams added that the new agreement also includes a provision that the agreement supersedes all previous contracts between the parties. He stated that the Vivature electronic medical records service has been successfully used by FIU for many years. He pointed out that, as the audit reflected, the Office of Internal Audit verified that controls were adequate and effective.

Senior Vice President and Chief Financial Officer Kenneth A. Jessell explained that, as the final step in the process, the University is finalizing the bill received from Vivature for the medical billing services. He added that, consistent with the amount identified in the audit, the amount net due to Vivature is approximately $90,000.

4. Action Items
AC1. Internal Audit Plan, 2021-22
Mr. Williams pointed out that the Internal Audit Plan for the 2021-22 fiscal year delineates the areas for planned audit coverage over the next five (5) years. He remarked on the plan's authority, namely, Board of Governors Regulation 4.002, noting that said Regulation requires a chief audit executive to prepare a risk-based plan that is to be presented to the board of trustees for review and approval. He explained that the plan was developed using a systematic risk-based approach, adding that he sought input from Audit and Compliance Committee members, the University President, University management, and Internal Audit staff members in developing the risk-based five-year plan. He noted that the plan aims to provide audit coverage in areas with higher risks and to utilize audit resources efficiently.

Mr. Williams presented the Internal Audit Plan for the 2021-22 fiscal year for Committee review and approval. He pointed out that the 18 planned audits align with the University risk assessment heat map. He mentioned that, of said 18 planned audits, 14 are new and four (4) are carryover. He described the progress relating to the carryover audits, specially that the Lab Safety and Affiliated Agreements for Student Placement and Rotation audits are nearing completion and that work on the audits pertaining to the Conflict of Interest and Related Party Transactions and Data Breach of Protected Information has resumed. Mr. Williams pointed out that the planned audits also include follow-up of prior audit recommendations and the continuous auditing initiative. He explained that the plan is based on existing resources, adding that adjustments to the plan may become necessary as the Office of Internal Audit becomes fully staffed and that said adjustments will be presented for the Committee's review and approval.

Florida International University
Board of Trustees
Audit and Compliance Committee
Minutes
June 16, 2021
Page | 3

In response to Trustee Donna J. Hrinak, Mr. Williams remarked that cybersecurity is an area of major concern and is a priority for the Internal Audit Office. In response to Committee Chair Prescott, Mr. Williams mentioned that the planned audit relating to Export/Import Controls responds to Florida House Bill 7017 and will be focusing on foreign influence from external sources. Also responding to Committee Chair Prescott, University President Mark B. Rosenberg commented that the University has met with the Federal Bureau of Investigations for briefings on China, strengthened the University's review of programs and export control management, and delayed the expansion of certain programs. President Rosenberg added that Tianjin University of Commerce and Quindao University are interested in continuing the collaborations with FIU and explained that the University is cautious and very sensitive to the national security concerns.

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 2021-22.

AC2. University Compliance and Integrity Work Plan, 2021-22
Chief Compliance and Privacy Officer Jennifer LaPorta presented the University Compliance and Integrity Work Plan for the 2021-22 fiscal year for Committee review and approval. She explained that the plan outlines the goals and objectives of the University Compliance and Ethics Program, noting that key action items are focused on projects and activities that will mitigate risks to the resources and the reputation of the University and its employees. She added that the Committee will continue to receive the quarterly reports based upon progress towards said goals, stating that the plan and quarterly updates are based upon the seven (7) elements of an effective compliance program as prescribed by Chapter 8 of the U.S. Federal Sentencing Guidelines.

Ms. LaPorta described the 2021-22 new work plan structure and provided a comprehensive review of the proposed 2021-22 work plan objectives in relation to the corresponding federal sentencing guidelines provisions, noting that the presentation will focus on planned program enhancement activities. She remarked on the development of internal operating procedures, stating that this helps to ensure that auditable processes are created and maintained, and that the University is maximizing consistency, efficiency, and accountability. Ms. LaPorta commented that federal sentencing guidelines and subsequent guidance has focused on culture, adding that a paper program is not enough and therefore, the emphasis will include working with the University leadership to assist in operationalizing FIU's five core values into teachable, measurable, and observable behaviors that are used to train employees, hold them accountable, and set standards of behavior. She pointed out that the Foreign Influence and Global Risk Task Force will continue to work to implement a risk-based comprehensive strategy to plan for anticipated regulatory changes and that the Compliance Program's five-year review will be completed in the first half of the year, pursuant to Board of Governors regulation and subsequent guidance.

Ms. LaPorta indicated that FIU's code of conduct for employees will be significantly enhanced and updated in fiscal year 2021-22 and communicated University-wide. She commented that a multi-disciplinary work group will be formed and will review and update the University's ethics policies related to state employee responsibilities and obligations. She remarked on work plan objectives relating to training, education, and communications and mentioned that the Compliance office will be significantly enhancing and maturing the enterprise risk management program by partnering with

Florida International University
Board of Trustees
Audit and Compliance Committee
Minutes
June 16, 2021
Page | 4

the Office of Internal Audit to develop and manage the Panther Enterprise Risk Management Platform. She pointed out that the conflict-of-interest disclosure process includes travel authorization monitoring and the enterprise risk assessment, stating that these different ongoing elements will be enhanced to include foreign influence filters. Ms. LaPorta mentioned that the Compliance office will be conducting or facilitating nine (9) scheduled compliance reviews and will be dedicating substantial time and effort to the five-year full program compliance assessment. She remarked on work plan objectives pertaining to investigations, discipline, incentives, and corrective actions.

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 2021-22.

5. Discussion Items
5.1 Office of Internal Audit Status Report

Mr. Williams presented the Internal Audit Status Report, commenting on recently completed audits. He remarked on the Audit of the Coronavirus Aid, Relief, and Economic Security (CARES) Act Institutional Relief Funds, noting that there were adequate procedures and controls in place over FIU's use of the CARES Act Institutional Relief Funds. He mentioned the Grant Accounting for FIU Foundation Funded Projects Audit, stating that the audit found that, apart from a single instance related to the reimbursement of $43,614 of travel expenses connected to a donor's quid pro quo contribution, Research Project funds were used consistent with the gift requirements and University policies and procedures. Pertaining to the Examination of the Department of Parking, Sustainability and Transportation's Compliance with Contract Number HSMV-0548-18, Mr. Williams noted that the Office of Internal Audit determined that all deficiencies and/or issues found during the examination either have been corrected or corrective measures have been enacted by Parking to prevent recurrence. In terms of the review of expense reports, he stated that the Office of Internal Audit performed a review of employee expense reports, wherein they discovered a control weakness in their preparation related to expenses paid for with the University's Departmental credit card. He added that the Office of Internal Audit identified this issue while working with available data in developing a pilot for a continuous monitoring framework.

Mr. Williams reported that there are eight (8) audits in various stages of completion and highlighted other activity in which the Office of Internal Audit is engaged in, specifically ongoing internal investigations, drafting the University's Fraud Prevention and Detection Regulation, data analytics and continuous auditing initiatives, updating the Office of Internal Audit Practice Manual, and support pertaining to CARES, Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA), and Higher Education Emergency Relief Fund (HEERF I, II, and III).

In response to Trustee Marc D. Sarnoff, Mr. Williams explained that, based on Internal Revenue Service (IRS) regulation, if a donor makes a donation for which he/she receives benefit, such a situation is considered a quid pro quo donation. Further responding to Trustee Sarnoff and Board Vice Chair Roger Tovar, Mr. Williams mentioned an ongoing research project in the Bahamas. He indicated that several weeks prior to said research project, a donation in the amount of $45,000 was made to the FIU Foundation. He added that said donor and the donor's family accompanied the researchers on the project, noting that there were travel related expenses of approximately $44,000,

Florida International University
Board of Trustees
Audit and Compliance Committee
Minutes
June 16, 2021
Page | 5

which were billed to the University for payment. Mr. Williams indicated that said family members did not contribute to the research effort, and therefore, it was a personal benefit that the donor would have received in connection with the donation.

Sr. VP and CFO Jessell noted that the referenced donation covered the cost of the research trip, as well as the cost of the family. He commented on the research component, specifically that the trip was for a legitimate and ongoing research exercise and involved a research scientist from the College of Arts, Sciences, and Education, a research scientist from Florida State University, and two (2) research scientists from the National Oceanic and Atmospheric Administration (NOAA). He pointed out that the quid pro quo only related to the $23,000 associated with the donor's family, adding that the donor had a very strong interest in said research which is what prompted the donation. Sr. VP and CFO Jessell commented that once the Foundation became aware of the situation, a revised contribution statement was issued to the donor only reflecting the legitimate expenditures related with the research grant.

In response to Board Vice Chair Tovar, Sr. VP and CFO Jessell explained that the Foundation does have policies in place and that the researcher that was involved in the gift did not understand the requirement and therefore, when the reimbursement was submitted it was not immediately clear that the donor and his/her family received a benefit. Sr. VP and CFO Jessell indicated that processes have been improved upon and now names of non-FIU employees are matched to gifts made to the Foundation.

In response to Trustee Natasha Lowell, Mr. Williams commented on the CARES Act. He explained that the Office of Internal Audit has reviewed the financial assistance awarded to students and is satisfied with the University's control processes and level of compliance. Sr. VP and CFO Jessell indicated that between the three tranches of funds, the University will have received approximately $245M, namely, $101M for direct aid to students and $144 in institutional aid. Sr. VP and CFO Jessell added that, despite the limited guidance from the federal government, the University was fully compliant, except for a $2,000 correction. Further responding to Trustee Lowell, Sr. VP and CFO Jessell mentioned that there is no expectation of repayment so long as the aid is used for the intended purpose and stays with the University.

5.2 University Compliance and Integrity Quarterly Report
There were no questions from the Committee members in terms of the University Compliance and Integrity Quarterly Report.

6. New Business
6.1 Office of Internal Audit 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 the Office of Internal Audit, adding that this was strictly voluntary. The Committee met with the Chief Audit Executive. There were no questions or comments from the Committee members or the Chief Audit Executive.

Florida International University
Board of Trustees
Audit and Compliance Committee
Minutes
June 16, 2021
Page | 6

7. 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 Wednesday, June 16, 2021, at 9:21 a.m.

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES

AUDIT AND COMPLIANCE COMMITTEE CHARTER

1. **Overall Purpose/Objectives**

The Audit and Compliance Committee ("Committee") is appointed by the Florida International University Board of Trustees ("Board") to assist it in discharging its oversight responsibilities, including but not limited to, reviewing procedures in place to assess and minimize significant risks, overseeing the quality and integrity of financial reporting practices (including the underlying system of internal controls, policies and procedures, regulatory compliance programs, and ethical code of conduct), and overseeing the overall audit process.

The Committee will oversee the financial operations and reporting process for both the University and its direct support organizations ("DSO"). The committee will review: 1) the University's internal financial controls and processes; 2) the internal audit function; 3) the independent audit process, including the appointment and assessment of the external auditors for the University; and 4) the DSO and University processes for monitoring compliance with applicable laws and regulations, meeting regulatory requirements and promoting ethical conduct.

2. **Authority**

The Board authorizes the Committee to:

2.1 Perform activities within the capacity of its charter.

2.2 Evaluate the Office of Internal Audit's role and scope of activities.

2.3 Participate, through the Chair, in the process of the appointment and dismissal of the Chief Audit Executive.

2.4 Engage independent counsel and other advisers as it deems necessary to carry out its duties.

2.5 Have unrestricted access to management, faculty and employees of the University and its DSOs, as well as to all books, records, and facilities thereof.

2.6 Develop and review procedures for the receipt, retention and treatment of complaints received from employees regarding financial or operational matters.

2.7 Review and approve the Office of Internal Audit's annual audit plan (and any subsequent changes thereto), considering the University-wide risk assessment and the degree of coordination with the Auditor General's Office for an effective, efficient, non-redundant use of audit resources.

2.8 Review and discuss with management and the Office of Internal Audit (1) significant findings and recommendations, including management's response and timeframe for corrective action; (2) the degree of implementation of past audit recommendations; and (3) any difficulties encountered in the course of the audit activities such as restrictions on the scope of work or access to information.

2.9 Assess the staffing of the Office of Internal Audit, including the annual budget.

2.10 Review and approve modifications to the Office of Internal Audit.

2.11 Review the organizational reporting lines related to the Office of Internal Audit, particularly related to confirming and assuring the continued independence of the Office of Internal Audit and its staff.

2.12 Review the work of the external auditors for the University and DSOs.

2.13 Evaluate the effectiveness of the University's compliance program by (1) reviewing the results of the program effectiveness evaluation; (2) assessing the staffing of the Office of Compliance & Integrity, including the annual budget; (3) reviewing major modifications to the University's compliance program; and (4) reviewing compliance-related training topics for the Board.

2.14 Participate, through the Chair, in the process of the appointment and dismissal of the Assistant Vice President, Chief Compliance and Privacy Officer.

2.15 Review and approve the Office of Compliance & Integrity's annual compliance plan (and any subsequent changes thereto), considering the University-wide risk assessment.

2.16 Review and approve modifications to the Office of Compliance & Integrity.

2.17 Review the organizational reporting lines related to the Office of Compliance & Integrity, particularly related to confirming and assuring the continued independence of the Office of Compliance & Integrity and its staff.

3. **Organization**

Membership

3.1 The Chair of the Board of Trustees will appoint the chair and members of the Committee.

3.2 The Committee consists of at least five (5) members, all of whom are voting Trustees of the University.

3.3 A majority of Committee members, if not all, shall possess general accounting, business and financial knowledge, including the ability to read and understand fundamental financial statements.

3.3.1 If possible the Committee will include at least one member who is a "accounting or financial expert"; a person who has an understanding of generally accepted accounting principles and financial statements; the ability to assess the application of these principles in connection with accounting for estimates, accruals and reserves; an understanding of committee functions; experience preparing, auditing, analyzing or evaluating financial statements, or experience actively supervising persons engaged in such activities; and an understanding of internal controls and procedures for financial reporting. The person must have acquired these attributes through one or more of the following: education or experience actually doing these functions or similar ones; actively supervising someone who is performing these functions or similar ones; experience overseeing or assessing the performance of companies or public accountants who are preparing, auditing or evaluating financial statements; or other relevant experience.

3.4 Members shall be independent and objective in the discharge of their responsibilities. They are to be free of any financial, family, or other material personal relationship, including relationships with members of University management, University auditors and other professional consultants

3.5 Members will serve on the Committee until their resignation or replacement by the Chair of the Board.

Meetings

3.6 A simple majority of the members of the Committee will constitute a quorum for the transaction of business.

3.7 Meetings shall be held not less than four (4) times per year and shall correspond with the University's financial reporting cycle.

3.8 The Committee shall maintain written minutes of its meetings, and for the Committee Chair to approve each meeting's agenda.

3.9 The Committee shall meet with the General Counsel, Chief Audit Executive, and Assistant Vice President, Chief Compliance and Privacy Officer on a regular basis.

3.10 The Committee may request special reports from University or DSO management on topics that may enhance their understanding of their activities and operations.

4. **Roles and Responsibilities**

The Committee shall:

4.1 Provide the Board with regular updates of Committee activities and make recommendations to the Board for matters within the Committee's area of responsibility.

4.2 Meet separately with the Office of Internal Audit and Senior Management, separately, in order to discuss any matters the Committee or these individuals believe should be discussed privately. This should be performed at least two (2) times annually, at the conclusion of a regularly scheduled Committee meeting.

4.3 Affirm that the Chief Audit Executive and Assistant Vice President, Chief Compliance and Privacy Officerare ultimately responsible to the Committee and the Board and they should communicate directly with the Committee Chair when deemed prudent and necessary. Said Chief Audit Executive and Assistant Vice President, Chief Compliance and Privacy Officer, in consultation with the General Counsel, will regularly meet and correspond with the Chair of the Committee, advise and keep informed, as needed, both the President and the Chair of the Board on a regular basis regarding matters brought before and actions taken by the Committee, and in further consultation with the Chair, prepare the agenda for meetings of the Committee.

4.4 Have the authority to conduct investigations into any matters within the Committee's scope of responsibilities as set forth herein. The Committee shall have unrestricted access to the University's independent auditors and anyone employed by the University, and to all relevant information in order to conduct such investigations. The Committee may retain, at the University's expense, independent counsel, accountants and other professional consultants to assist with such investigations. The results of any such investigations must be reported to the Board by the Committee Chair.

With regard to each topic listed below, the Committee shall:

Internal Controls

4.5 Consider and review the effectiveness of the University's process for identifying significant financial, operational, reputational, strategic and regulatory risks or exposures and management's plans and efforts to monitor and control such risks.

4.6 Evaluate the overall effectiveness of the internal control framework and consider whether recommendations made by the internal and external auditors have been implemented by management, including but not limited to the status and adequacy of information systems and security, for purposes of meeting expectations of the U.S. Sentencing Guidelines, personnel systems internal controls, and other relevant matters.

4.7 Understand the internal control systems implemented by management of the University and each DSO for the approval of transactions and the recording and processing of financial data.

Risk Management

4.8 Evaluate the overall effectiveness of the risk management process.

4.9 Evaluate the University's oversight and monitoring of its affiliated organizations, and the University's insurance coverage and the process used to manage any uninsured

risks.

Financial Reporting and Disclosures

4.10 Review the adequacy of accounting, management, and financial processes of the University and its DSOs.

4.11 Review the financial reporting process implemented by management of the University and its DSOs.

4.12 Review as applicable for the University and its DSOs: 1) interim financial statements, 2) annual financial statements, 3) the annual report, and 4) the audit report on federal awards that is required under Office of Management and Budget (OMB) Circular A-133.

4.13 Review University and DSO management processes for ensuring the transparency of the financial statements and the completeness and clarity of the disclosures.

4.14 Meet with University management and the external auditors to review the financial statements, the key accounting policies, the reasonableness of significant judgments, and the results of the audit.

Compliance with Laws, Regulations, Policies and Standards

4.15 Review the independence, qualifications, activities, resources, and structure of the compliance function and ensure no unjustified restrictions or limitations are made.

4.16 Review and discuss any significant results of compliance audits; any significant matters of litigation or contingencies that may materially affect the University's financial statements; and any legal, tax or regulatory matters that may have a material impact on University operations, financial statements, policies and programs.

4.17 Ensure that significant findings and recommendations made by the university compliance officer are received, discussed, and appropriately acted on.

4.18 Review the effectiveness of the system for monitoring compliance with laws and regulations and management's investigation and follow-up (including disciplinary action) of any wrongful acts or non-compliance.

4.19 Ascertain whether the University has an effective process for determining risks and exposure from asserted and unasserted litigation and other claims of noncompliance with laws and regulations.

4.20 Receive information and training regarding specific elements of the University's compliance program.

4.21 Obtain reports concerning financial fraud resulting in losses in excess of $10,000 or involving a member of senior management.

4.22 Obtain regular updates from the University Compliance Officer regarding compliance matters that may have a material impact on the organization's financial statements or compliance policies.

4.23 Review the University's monitoring of compliance with University policies, including (but not limited to) policies regarding the conduct of research, including the results of the University's monitoring and enforcement of compliance with University standards of ethical conduct and conflict of interest policies.

4.24 Review the findings of any examinations or investigations by regulatory bodies.

Working with Auditors

Independent External Audit

4.25 Review the professional qualifications of all external auditors, and when determined by the committee, require such auditor to be hired by and report directly to the Committee.

4.26 Review on an annual basis the performance of all external auditors and make recommendations to the appropriate Board for their appointment, reappointment or termination.

4.27 Ensure that significant findings and recommendations made by the independent auditors for both the University and any DSO, and management's proposed response thereto, are received, discussed and appropriately acted upon.

Internal Audit

4.28 Review the independence, qualifications, activities, resources and structure of the internal audit function and ensure no unjustified restrictions or limitations are made.

4.29 Review the effectiveness of the internal audit function and ensure that it has appropriate standing within the University.

4.30 Ensure that significant findings and recommendations made by the internal auditors and management's proposed response are received, discussed and appropriately acted on.

4.31 Review the proposed internal audit plan for the coming year [or the multi-year plan] and ensure that it addresses key areas of risk and that there is appropriate coordination with the external auditor.

Complaints and Ethics

4.32 Ensure procedures for the receipt, retention and treatment of complaints concerning financial, internal accounting controls or auditing matters.

4.33 Review the University and DSO conflicts of interest policies to ensure that: 1) the term "conflict of interest" is clearly defined, 2) guidelines are comprehensive, 3) annual signoff is required, and 4) potential conflicts are adequately resolved and documented.

Reporting Responsibilities

4.34 Regularly update the Board about Committee activities and make appropriate recommendations.

4.35 Ensure the Board is aware of matters that may significantly impact the financial condition or affairs of the University or its DSOs.

4.36 Receive prior to each meeting a summary of findings from completed internal audits and the status of implementing related recommendations.

Evaluating Performance

4.37 Evaluate the Committee's own performance, both of individual members and collectively, on a regular basis.

4.38 Assess the achievement of duties specified in the charter and report findings to the board.

4.39 Review the Committee charter, at least every two (2) years, and discuss any required changes with the board.

4.40 Ensure that the charter is approved or reapproved by the Board, after each update.

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4.002   State University System Chief Audit Executives

(1) Each university shall have an office of chief audit executive as a point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in the operations of the university.

(2) Each board of trustees shall establish a committee responsible for addressing audit, financial- and fraud-related compliance, controls, and investigative matters. For purposes of this regulation, this committee will be referred to as the audit and compliance committee. This committee shall have a charter approved by the board of trustees and reviewed at least every three (3) years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. A copy of the approved charter and any subsequent changes shall be provided to the Board of Governors.

(3) Each board of trustees shall adopt a charter which defines the duties and responsibilities of the office of chief audit executive. The charter shall be reviewed at least every three (3) years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. A copy of the approved charter and any subsequent changes shall be provided to the Board of Governors. At a minimum, the charter shall specify that the chief audit executive:
 (a) Provide direction for, supervise, and coordinate audits and investigations which promote economy, efficiency, and effectiveness in the administration of university programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.
 (b) Conduct, supervise, or coordinate activities for the purpose of preventing and detecting fraud and abuse within university programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.
 (c) Address significant and credible allegations relating to waste, fraud, or financial mismanagement as provided in Board of Governors Regulation 4.001.
 (d) Keep the president and board of trustees informed concerning significant and credible allegations and known occurrences of waste, fraud, mismanagement, abuses, and deficiencies relating to university programs and operations; recommend corrective actions; and report on the progress made in implementing corrective actions.
 (e) Promote, in collaboration with other appropriate university officials, effective coordination between the university and the Florida Auditor General, federal auditors, accrediting bodies, and other governmental or oversight bodies.
 (f) Review and make recommendations, as appropriate, concerning policies and regulations related to the university's programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.

(g) Communicate to the president and the board of trustees, at least annually, the office's plans and resource requirements, including significant changes, and the impact of resource limitations.

(h) Provide training and outreach, to the extent practicable, designed to promote accountability and address topics such as fraud awareness, risk management, controls, and other related subject matter.

(i) Coordinate or request audit, financial- and fraud-related compliance, controls, and investigative information or assistance as may be necessary from any university, federal, state, or local government entity.

(j) Develop and maintain a quality assurance and improvement program for the office of chief audit executive.

(k) Establish policies which articulate the steps for reporting and escalating matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.

(l) Inform the board of trustees when contracting for specific instances of audit or investigative assistance.

(4) The board of trustees must obtain Board of Governors' approval before outsourcing the chief audit executive's entire audit or investigative function.

(5) Each board of trustees shall ensure that the university chief audit executive is organizationally independent and objective to perform the responsibilities of the position. The chief audit executive shall:

(a) Report functionally to the board of trustees and administratively to the president.

(b) Report routinely to the board of trustees on matters including significant risk exposures, control issues, fraud risks, governance issues, and other matters requested by the president and the board of trustees.

(c) Conduct and report on audits, investigations, and other inquiries free of actual or perceived impairment to the independence of the chief audit executive's office.

(d) Have timely access to any records, data, and other information in possession or control of the university including information reported to the university's hotline/helpline.

(e) Notify the chair of the board of trustees' audit committee or the president, as appropriate, of any unresolved restriction or barrier imposed by any individual on the scope of an inquiry, or the failure to provide access to necessary information or people for the purposes of such inquiry. The chief audit executive shall work with the board of trustees and university management to remedy scope or access limitations. If the university is not able to remedy such limitations, the chief audit executive shall timely notify the Board of Governors, through the OIGC, of any such restriction, barrier, or limitation.

(6) In carrying out the auditing duties and responsibilities set forth in this regulation, each chief audit executive shall review and evaluate controls necessary to enhance and promote the accountability of the university. The chief audit executive shall perform or supervise audits and prepare reports of their findings, recommendations, and opinions. The scope and assignment of the audits shall be determined by the chief audit executive; however, the president and board of trustees may request the chief audit executive direct, perform, or supervise audit engagements.

(a) Audit engagements shall be performed in accordance with the *International Professional Practices Framework*, published by the Institute of Internal Auditors, Inc.; the *Government Auditing Standards*, published by the United States Government Accountability Office; and/or the *Information Systems Auditing Standards* published by ISACA. All audit reports shall describe the extent to which standards were followed.

(b) At the conclusion of each audit engagement, the chief audit executive shall prepare a report to communicate the audit results and action plans to the board of trustees and university management. A copy of the final audit report will be provided to the Board of Governors consistent with Board of Governors Regulation 1.001(6)(g).

(c) The chief audit executive shall monitor the disposition of results communicated to university management and determine whether corrective actions have been effectively implemented or that senior management or the board of trustees, as appropriate, has accepted the risk of not taking corrective action. If, in the chief audit executive's judgment, senior management or the board of trustees has chosen not to take corrective actions to address substantiated instances of waste, fraud, or financial mismanagement, then the chief audit executive shall timely notify the Board of Governors, through the OIGC.

(d) The chief audit executive shall develop audit plans based on the results of periodic risk assessments. The plans shall be submitted to the board of trustees for approval. A copy of approved audit plans will be provided to appropriate university management and the Board of Governors.

(e) 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.

(7) Each chief audit executive shall initiate, conduct, supervise, or coordinate investigations that fall within the purview of the chief audit executive's office and be designated by their board of trustees as the employee to review statutory whistle-blower information and coordinate all activities of the university as required by the Florida Whistle-blower's Act. Investigative assignments shall be performed in

accordance with professional standards issued for the State University System.   All final investigative reports shall be submitted to the appropriate action officials, board of trustees, and the Board of Governors if, in the chief audit executive's judgment, the allegations are determined to be significant and credible. Such reports shall be redacted to protect confidential information and the identity of individuals, when provided for by law.

(8) By September 30th of each year, the chief audit executive shall prepare a report summarizing the activities of the office for the preceding fiscal year. The report shall be provided to the president, board of trustees, and the Board of Governors.

Authority: Section 7(d), Art. IX, Fla. Const.; History: New 11-3-16.

4.003   State University System Compliance and Ethics Programs

(1) Each board of trustees shall implement a university-wide compliance and ethics program (Program) as a point for coordination of and responsibility for activities that promote ethical conduct and maximize compliance with applicable laws, regulations, rules, policies, and procedures.

(2) The Program shall be:
   (a) Reasonably designed to optimize its effectiveness in preventing or detecting non-compliance, unethical behavior, and criminal conduct, as appropriate to the institution's mission, size, activities, and unique risk profile;
   (b) Developed consistent with the Code of Ethics for Public Officers and Employees contained in Part III, Chapter 112, Florida Statutes; other applicable codes of ethics; and the Federal Sentencing Guidelines Manual, Chapter 8, Part B, Section 2.1(b); and
   (c) Implemented within two (2) years of the effective date of this regulation.

(3) Each board of trustees shall assign responsibility for providing governance oversight of the Program to the committee of the board responsible for audit and compliance. The charter required by Board of Governors Regulation 4.002(2) shall address governance oversight for the Program.

(4) Each university, in coordination with its board of trustees, shall designate a senior-level administrator as the chief compliance officer. The chief compliance officer is the individual responsible for managing or coordinating the Program. Universities may have multiple compliance officers; however, the highest ranking compliance officer shall be designated the chief compliance officer. Nothing in this regulation shall be construed to conflict with the General Counsel's responsibility to provide legal advice on ethics laws. The chief compliance officer shall not be the same individual as the chief audit executive with the exception of New College of Florida and Florida Polytechnic University who may, due to fiscal and workload considerations, name the same individual as both chief audit executive and chief compliance officer.

(5) The chief compliance officer shall report functionally to the board of trustees and administratively to the president. If the university has an established compliance program in which the chief compliance officer reports either administratively or functionally to the chief audit executive, then the university shall have five (5) years from the effective date of this regulation to transition the reporting relationship of the chief compliance officer to report functionally to the board of trustees and administratively to the president.

(6) The office of the chief compliance officer shall be governed by a charter approved by the board of trustees and reviewed at least every three (3) years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. A copy of the approved charter and any subsequent changes shall be provided to the Board of Governors.

(7) The Program shall address the following components:
   (a) The president and board of trustees shall be knowledgeable about the Program and shall exercise oversight with respect to its implementation and effectiveness. The board of trustees shall approve a Program plan and any subsequent changes. A copy of the approved plan shall be provided to the Board of Governors.
   (b) University employees and board of trustees' members shall receive training regarding their responsibility and accountability for ethical conduct and compliance with applicable laws, regulations, rules, policies, and procedures. The Program plan shall specify when and how often this training shall occur.
   (c) At least once every five (5) years, the president and board of trustees shall be provided with an external review of the Program's design and effectiveness and any recommendations for improvement, as appropriate. The first external review shall be initiated within five (5) years from the effective date of this regulation. The assessment shall be approved by the board of trustees and a copy provided to the Board of Governors.
   (d) The Program may designate compliance officers for various program areas throughout the university based on an assessment of risk in any particular program or area. If so designated, the individual shall coordinate and communicate with the chief compliance officer on matters relating to the Program.
   (e) The Program shall require the university, in a manner which promotes visibility, to publicize a mechanism for individuals to report potential or actual misconduct and violations of university policy, regulations, or law, and to ensure that no individual faces retaliation for reporting a potential or actual violation when such report is made in good faith. If the chief compliance officer determines the reporting process is being abused by an individual, he or she may recommend actions to prevent such abuse.
   (f) The Program shall articulate the steps for reporting and escalating matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.
   (g) The chief compliance officer shall:
      1. Have the independence and objectivity to perform the responsibilities of the chief compliance officer function;
      2. Have adequate resources and appropriate authority;
      3. Communicate routinely to the president and board of trustees regarding Program activities;

4. Conduct and report on compliance and ethics activities and inquiries free of actual or perceived impairment to the independence of the chief compliance officer;

5. Have timely access to any records, data, and other information in possession or control of the university, including information reported to the university's hotline/helpline;

6. Coordinate or request compliance activity information or assistance as may be necessary from any university, federal, state, or local government entity;

7. Notify the president, or the administrative supervisor of the chief compliance officer, of any unresolved restriction or barrier imposed by any individual on the scope of any inquiry, or the failure to provide access to necessary information or people for the purposes of such inquiry. In such circumstances, the chief compliance officer shall request the president remedy the restrictions. If unresolved by the president or if the president is imposing the inappropriate restrictions, the chief compliance officer shall notify the chair of the board of trustees committee charged with governance oversight of the Program. If the matter is not resolved by the board of trustees, the chief compliance officer shall notify the Board of Governors through the Office of Inspector General and Director of Compliance (OIGC);

8. Report at least annually on the effectiveness of the Program. Any Program plan revisions, based on the chief compliance officer's report shall be approved by the board of trustees. A copy of the report and revised plan shall be provided to the Board of Governors;

9. Promote and enforce the Program, in consultation with the president and board of trustees, consistently through appropriate incentives and disciplinary measures to encourage a culture of compliance and ethics. Failures in compliance or ethics shall be addressed through appropriate measures, including education or disciplinary action;

10. Initiate, conduct, supervise, coordinate, or refer to other appropriate offices (such as human resources, audit, Title IX, or general counsel) such inquiries, investigations, or reviews as deemed appropriate and in accordance with university regulations and policies; and

11. Submit final reports to appropriate action officials.

(h) When non-compliance, unethical behavior, or criminal conduct has been detected, the university shall take reasonable steps to prevent further similar behavior, including making any necessary modifications to the Program.

(8) The university shall use reasonable efforts not to include within the university and its affiliated organizations individuals whom it knew, or should have known (through the exercise of due diligence), to have engaged in conduct not consistent with an effective Program.

Authority: Section 7(d), Art. IX, Fla. Const.; History: New 11-3-16.

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Office of Internal Audit
Status Report

BOARD OF TRUSTEES

September 14, 2021

![FIU | Office of Internal Audit]

Date:	September 14, 2021
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 our quarterly update on the status of our Office's activities since our last update to the Board of Trustees Audit and Compliance Committee on June 16, 2021.

Projects Completed

Procurement and Competitive Bidding Procedures - We have completed an audit of Procurement and Competitive Bidding Procedures for the period July 1, 2018, through March 31, 2020, and an assessment of the current practices through March 31, 2021. The primary objective of our audit was to determine if established controls and procedures over the purchase of commodities through the University's purchase order system were adequate, effective, and being adhered to. We were also interested in determining whether purchases were compliant with University policies and procedures, applicable laws, rules, and regulations, and followed industry best practices. The Office of the Controller's Procurement Services department administers the University's purchasing and contracting program and provides procurement, receiving, and asset management solutions to the University community. During the audit period, approximately $268 million were expended through 27,631 Purchase Orders (POs).

In summary, we noted that there are adequate and effective controls in place for the purchase of commodities and contractual services; specifically, the informal and formal solicitation processes follow state statutory competitive solicitation and exceptions requirements. However, we identified possible enhancements to the procurement process that are not compliance-related but are operational. Advanced spend analyses are not performed, which among other benefits, provide additional spend visibility and identify savings opportunities. In addition, there are instances of a lack of proper documentation, specifically related to POs, piggyback contracts, and sole source

exemptions. We also noted that the pricing for purchases made utilizing Blanket POs may not be adequately verified against the contracts. We proposed six recommendations, which management agreed to implement.

Media Sanitization Guidelines and Controls – We have completed an audit of Media Sanitization Guidelines and Controls. The primary objective of our audit was to determine whether the technology controls in place provide reasonable assurance that media sanitization processes are compliant with Florida Statutes, University policies and procedures, and the National Institute of Standards and Technology (NIST) guidelines, to minimize the risk of unauthorized University data disclosure upon the transfer or disposal of media. The Division of Information Technology is responsible for validating that any information systems equipment used for University business is erased using clearing, purging, or destruction techniques prior to the media being sent to surplus, reused, donated, and/or discarded.

Overall, our audit identified areas where FIU has opportunities to strengthen the media sanitization processes. Those include: (a) incorporating specific repeatable sanitization procedures for various media in a formal operations manual, (b) leveraging important additional capabilities of the media sanitization tools currently in use or being offered by other tools, (c) finalizing and communicating an organization-wide data classification policy and aligning Media Sanitation Guidelines with current practices, (d) improving the recordkeeping pertaining to sanitized devices by applying an MSCID sticker to all such devices and electronically documenting the details required by NIST upon their sanitization, (e) establishing and implementing procedures for the verification of sanitization results, (f) defining the frequency for testing and calibrating sanitization equipment and establishing a log to record equipment testing activity, (g) updating the Media Sanitation Guidelines to include defining circumstances requiring the sanitization of portable media and dual authorization, media sanitization equipment and types of media, and the approval required for any exceptions to the guidelines, among other enhancements, and (h) developing, in collaboration with Surplus, training content specific to FIU media sanitization protocol. We proposed 13 recommendations, which management agreed to implement.

Work in Progress

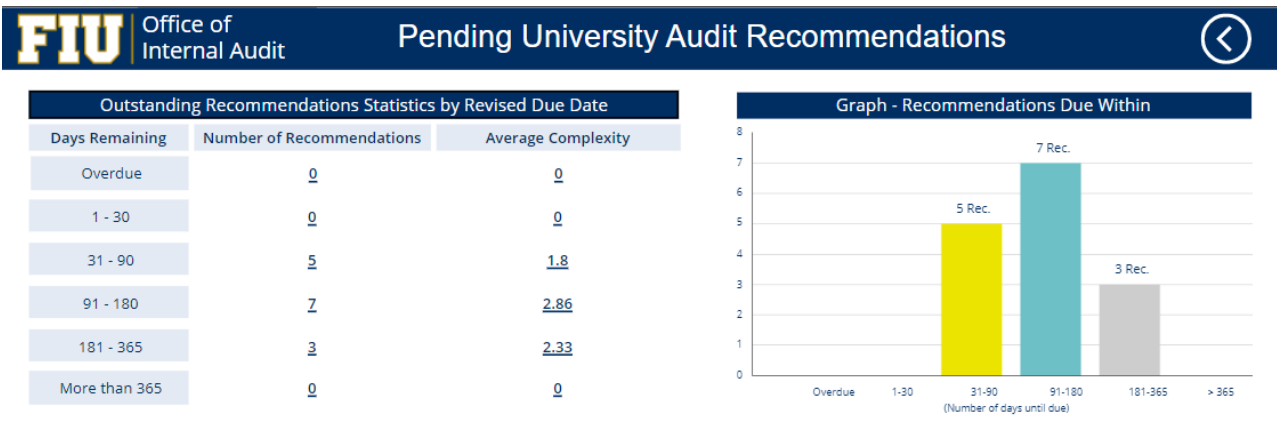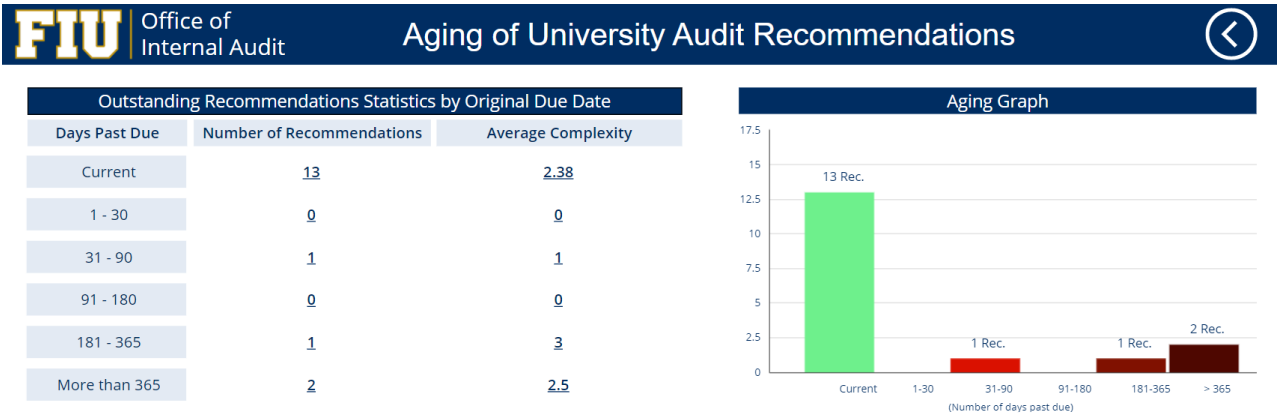The following ongoing audits are in various stages of completion:

Ongoing Audits	
Audits	**Status**
Laboratory Safety	Issued Draft Report
Affiliated Agreement for Student Placement/Rotation	Draft Report in Progress
IT Controls Over Procurement Services	Fieldwork in Progress
Conflict of Interest and Related Party Transactions	Fieldwork in Progress
Admissions Policy Compliance	Planning
Cybersecurity Prevention and Detection Controls - Ransomware	Planning
FERPA Compliance	Planning
Performance Based Funding Metrics Data Integrity 2021	Planning

Prior Audit Recommendations Follow-Up Status Report

Since June 1, 2020, University management has been able to utilize the OIA Panther Audit Platform to update and report the status of prior audit recommendations. Upon receiving the submission from management on the Platform, OIA staff performed a substantive examination of the accompanying documentation or revised process to validate the status of the recommendation as reported by management. The outcome from our auditing efforts leads to 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 28 recommendations due for implementation through July 31, 2021. Based on the work performed, we have concluded that 25 of said 28 recommendations (89 percent) were completed and 3 (11 percent) were partially implemented. Management has provided expected completion dates for all recommendations that were not completed. (See table and recommendation summaries on the following pages.) We thank management for their cooperation and encourage continued improvement.

The following graphs display an aging of outstanding audit recommendations as of July 31, 2021, as reflected in the Platform, indicating the number of days remaining before due for implementation and the number of days delayed for those recommendations past due.

Aging of University Audit Recommendations
FIU Office of Internal Audit

Outstanding Recommendations Statistics by Original Due Date		
Days Past Due	Number of Recommendations	Average Complexity
Current	13	2.38
1 - 30	0	0
31 - 90	1	1
91 - 180	0	0
181 - 365	1	3
More than 365	2	2.5

Pending University Audit Recommendations
FIU Office of Internal Audit

Outstanding Recommendations Statistics by Revised Due Date		
Days Remaining	Number of Recommendations	Average Complexity
Overdue	0	0
1 - 30	0	0
31 - 90	5	1.8
91 - 180	7	2.86
181 - 365	3	2.33
More than 365	0	0

(Page 4 of 9)

AUDIT RECOMMENDATIONS FOLLOW-UP

Areas Audited	Total Due for Implementation	Implemented	Partially Implemented
Accounts Receivable	1	1	
Athletics Health Service Billing and Collections Process and Contract Performance	2	2	
Chapman Graduate School	1	1	
Compliance with Donor Confidentiality and Intent	2	2	
Frost Art Museum	1	1	
Grant Accounting – Foundation Funded	2	2	
Media Sanitization Guidelines and Controls	10	10	
Payroll Irregularities, Fraud Controls and New Employee Document	2	2	
Review of Expense Reports	3	3	
Financial Aid	1		1
Nicole Wertheim College of Nursing and Health Sciences	1		1
University Fleet Management	2	1	1
Totals	**28**	**25**	**3**
Percentages	**100%**	**89%**	**11%**

(Page 5 of 9)

MANAGEMENT RESPONSES TO OUTSTANDING AUDIT RECOMMENDATIONS WITH REVISED TARGET DATES

Financial Aid (February 10, 2017)

1. Audit Issue: **Enrollment Status** (Recommendation #2.1)

Recommendation:
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.

Action Plan to Complete:
Continued hold as IT moves Oracle CS to the cloud. All development will be on hold until after September 2021. We will go back to the prototype and bring in the Academic Tech Team to begin testing the prototype. This Phase should be complete by December 2021.

Original Target Date: July 30, 2017   New Target Date: December 1, 2021

Nicole Wertheim College of Nursing and Health Sciences (October 28, 2019)

1. Audit Issue: **Operational Controls** (Recommendation #1.4)

Recommendation:
Develop a schedule of AHA course offerings and applicable registration details.

Action Plan to Complete:
The Nicole Wertheim College of Nursing and Health Sciences (NWCNHS) has been coordinating with the prospective vendor Enrollware, to provide the services needed for American Heart Association (AHA) activities in the NWCNHS STAR Center (simulated hospital). Enrollware is the premiere provider of enrollment/payment/tracking services for AHA activities. Unfortunately, Enrollware recently notified the College that it would not sign off on any FIU supplemental addendum, since the College sent the vendor a copy of FIU's Software Supplemental Addendum. The Director of the STAR Center was notified, and he indicated that the next service provider Authorize.net does not offer the same level of

services as Enrollware and that it would be preferable to try to come to an accord with Enrollware if possible. In light of this, the College is currently coordinating with staff from FIU's Office of the General Counsel (OGC), who was provided with a copy of Enrollware's services agreement for review. Enrollware stated that the only document that they would sign is their own services agreement and that they would only entertain minor edits. Presently, the College is currently waiting to hear back from OGC, to determine if the University can accept Enrollware's services agreement with or without minor edits. In the event that FIU's OGC cannot accept Enrollware's services agreement, then the College will need to begin negotiations with Authorize.net to try to reach an agreement with the alternate vendor option. Either option is going to take time beyond the end of January 2021, so the College is requesting that the completion date be extended to March 31, 2021.

(Updated March 22, 2021) - The College over the past several weeks has coordinated with FIU's Office of the General Counsel (OGC) and the prospective vendor Enrollware. A mutual agreement was reached whereby FIU and the vendor accepted using the vendor's SaaS agreement document with minor edits from FIU's OGC and the waiving of incorporating FIU Supplemental Addendums to the agreement that the vendor would not accept. Following the guidance of OGC, staff from NWCNHS has been coordinating with the CIO office and the PCI Team. The CIO's office had some questions that the College provided responses for, and the CIO's office also requested that the vendor complete a full HECVAT form. In an email, the vendor's representative responded that he would answer questions via a conference call but not in writing. The College is waiting to see if the CIO and PCI Teams would instead entertain having a conference call with the vendor.

In light of these continuing interactions between FIU and the vendor, the College is requesting that the completion date be extended by two months to May 31, 2021. If the conversation between the CIO & PCI team goes well, NWCNHS does not foresee any additional significant hurdles to submit the item in TCM. However, if the conversation does not go well, the College will need to start coordination with another vendor from scratch.

(Updated June 7, 2021) The STAR Center is currently coordinating with central and FIU Continuing Education, exploring and discussing options. The expected completion date will need to be extended.

Original Target Date: February 28, 2020   New Target Date: September 30, 2021

University Fleet Management (November 12, 2020)

1. Audit Issue: **Accountable Control** (Recommendation #7.1)

   Recommendation:
   Work with Asset Management to ensure that all vehicles are appropriately captured within both lists.

   Action Plan to Complete:
   29 of the 30 assets in Asset Management not listed in Fleet Management have been identified, Fleet Management is working with the department to identify the remaining 1 asset.

   105 of the 130 assets listed in Fleet Management not listed in Asset Management have been identified. Fleet Management is working with Facilities Management - Grounds to identify the remaining 25 assets.

   08/02/21 requesting extension on expected completion date due to Fleet Manager position vacancy effective mid-June 2021. Currently working with interim Fleet Manager, Kenia Junco of OBS, on completing implementation.

   Original Target Date: January 31, 2021   New Target Date: August 31, 2021

Investigation and Consulting Activities

Allegations of fraud, waste, abuse, and wrongdoing, as well as whistleblower complaints are reported to our office. Upon receipt, we evaluate the complaints for sufficiency and credibility to determine whether to investigate. The investigation results of significant and credible allegations are reported to the University President and the appropriate party.

We recently completed an investigation alleging conflicts of interest involving a former employee of FIU Athletics and communicated the results of our investigation to the University President and the Executive Director of Sports and Entertainment. We offered four recommendations to address the specific allegations we deemed were substantiated.

The CAE and office staff consulting and advisory services to various University initiatives, as follows:

- Higher Education Emergency Relief Fund (HEERF I, II, and III) use guidelines
- Proposed University Antifraud Regulation development
- Draft BOG Regulation on Foreign Influence
- Various other matters, including the use of material and supply fee and student activity fee, and the refunding of graduate orientation fee

Professional Development

The audit staff continue to take advantage of available professional development opportunities. In July, eight members of the staff attended a two-and-one-half hour in-person training on PeopleSoft Data Query, hosted by FIU's Financial Systems and Support Services. Additionally, the office's Audit Manager attended several FIU-provided training sessions on diversity, equity, and inclusion.

Other Matters

The CAE led a peer review team in performing an external quality assurance review of the internal audit activity of Kennesaw State University in Kennesaw, GA. The review was conducted remotely. Additionally, the CAE attended monthly meetings of the State University Audit Council and the Association of College and University Auditors Finance and Investment Committee.

The office currently has two vacancies—an Audit Manager position and a Senior Auditor position. Our aim is to be fully staffed at the earliest possibility.

(Page **9** of **9**)

FIU | **University Compliance and Integrity**

FLORIDA INTERNATIONAL UNIVERSITY

Office of University Compliance and Integrity Quarterly Report

Fourth Quarter 2020-2021

September 14, 2021

BOARD OF TRUSTEES
Audit and Compliance Committee
September 14, 2021

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 final status update for the 2020 – 2021 Compliance Work Plan. The information reflects progress on the key action items and other compliance activities for the fourth quarter of fiscal year 2020 - 2021 (April 1 – June 30).

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 responsible offices charged with developing, updating, administering, communicating, training, monitoring and ensuring compliance with University policy.

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 Appropriate Incentives and Disciplinary Measures**
   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.

6. **Respond Promptly to Detected Problems and Undertake Corrective Action**
   The Compliance Office conducts timely reviews and coordinates investigations of allegations of noncompliance and misconduct and provides guidance on corrective actions.

7. **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.

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 4

Office of University Compliance & Integrity Quarterly Report

PROGRAM STRUCTURE & OVERSIGHT

Compliance Internal Operating Procedures

- Completed Process Improvement Assessment and developed Internal Operating Procedure for required HIPAA Privacy Training for all employees in the HIPAA Hybrid units. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- Completed Process Improvement Assessment and developed Internal Operating Procedure for required Compliance Training and Policy Attestation Escalation Process. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- Engaged in Process Improvement Assessment with Human Resources for discipline/performance review consequences for failure to complete required Compliance tasks.
- Engaged in Process Improvement Assessment with the Division of Information Technology for the Compliance Calendar (tracking University-wide federal and state filings). Developing an IT Platform to automate current workflow before developing final Internal Operating Procedure. Engaged in approval process for final layout of platform.
- Engaged in Process Improvement Assessment for monthly reporting to the Dean's Advisory Council (DAC) and the Operations Committee (OPS).
- Engaged in Process Improvement Assessment for New Policy Development Process.

Foreign Influence and Global Risk Governance Activities

- Continued testing and process improvements for new Export Control Website exportcontrol.fiu.edu which incorporates user-friendly interfaces and interactively linked forms, procedural guidance, materials, definitions, trainings and go-to resources.
- In cooperation with Global Affairs and the Office of the Controller, redesigned the Travel Authorization Request (TAR) process to incorporate export control and foreign influence filters and referral to University Compliance when needed. Engaged in testing and workflow enhancements to prepare for roll out of the incorporated Export Control Questionnaire. Rolled out the Export Control Workflow and began processing Export review and approvals.

> ➢ Continued assessment activities related to the first three of ten assessment modules to identify measures to minimize foreign influence risk in the overall context of FIU's international academic and research mission including: <u>Foreign Nationals on Campus: Visa-holders and Visitors</u> – assesses preventative measures to selectively detect and avoid undue foreign influence where it could potentially arise in the context of foreign nationals on campus; <u>Conflicts of Interest and Commitment</u> – assesses Conflicts of Interest and Conflicts of Commitment policies and processes pertaining to global engagement scenarios; and <u>Compliance with Export Controls</u> - assesses the alignment of export control processes to account for and support foreign influence prevention strategies. Module-specific subcommittees reported back to the larger Task Force and will continue to as we move forward.
> ➢ Coordinated FIU's response to Foreign Source reporting requirement pursuant to Section 117 Higher Education Act. Worked with the Office of the General Counsel (OGC) to communicate requirements, respond to questions, make process improvements to the reporting system, and develop guidelines for required July 31, 2021, submission. Completed July 31, 2021, submission.
> ➢ Participated in regular Travel Committee meetings to review and issue recommendations regarding employee and student petitions for international (and domestic) travel and student mobility programs.
> ➢ Worked with Export Controls consultant to make process improvements to the J-1 Due Diligence Process, IP Agreement, and International Travel Process, as well as to develop three additional training modules and international shipment notification. Developed international shipment questionnaire and export approval workflow in collaboration with FIU's Shipping Department.
> ➢ Conducted 153 visual compliance research reviews during the reporting period.
> ➢ Finalized International Collaboration Compliance Assessment Plan to assess FIU's International programs as part of FIU's overall Foreign Influence/Research Security strategy. The objective is to identify process gaps or vulnerabilities that could expose FIU to Foreign Influence/Research Security concerns and to offer targeted remedial recommendations. First Assessment will be targeted to FIU's China activities and collaborations and, thereafter, additional "countries of concern" as identified by Florida State law and ongoing risk assessment.
> ➢ Chaired Foreign Influence and Global Risk Task Force Meeting held on June 29, 2021. After a brief recap of the previous meeting and a summary of the current meeting's Agenda, the Office of Governmental Relations presented a Foreign Influence Legislative Update to the group. The update included discussion of:
>   • S.1260 – U.S. Innovation and Competition Act Passed in Senate - $250 billion over the next five years for scientific research and development to strengthen competition against China
>   • Intellectual property developed by NSF and the prohibition from being transferred to foreign entities of concern
>   • Department of Commerce $1.5 billion fund that would spur neutral broadband technologies

- Office of Science and Technology Policy to develop a strategy to improve national competitiveness in science and support national security
- Added scrutiny of research security
- H.R. 2225 – National Science Foundation for the Future Act
- Senator Marco A. Rubio's request for a Government Accounting Office Study, examining the extent to which domestic and international Title VI programs are using resources lawfully, producing graduates that work in areas of national security needs, and providing balanced perspectives

Two members of the Office of General Counsel and the Foreign Influence Taskforce, who are also members of the HB7017 Board of Governor's (BOG) Taskforce, offered an overview and summary of the Regulation being drafted by the BOG Taskforce to comply with HB7017, highlighting main points to address the following five main components:

      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

Following that discussion and the plan to create multidisciplinary sub-committees for each of the five main compliance components, FIU's Export Control's consultant presented Draft Foreign Influence Guidance and Jennifer LaPorta updated the group on the status of several Global Risk Initiatives, including the International Compliance Assessment, enhancements to the Travel Authorization Process and enhancements to FIU's shipping form to achieve more streamlined Export Compliance for foreign shipments.

The next full Task Force meeting will be scheduled for September 2021, with significant sub-committee work and ad-hoc meetings, training, and communication with the full Task Force (as necessary and appropriate) occurring in the interim.

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

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

- Chair of the State University System Compliance Consortium
- Chair of the Global Risk and Foreign Influence Task Force
- Chair of the Policy Committee
- Chair of the Compliance Liaison Committee

➤ Co-Chair of the Health Insurance Portability and Accountability Act Committee
➤ Co-Chair of the FERPA Committee
➤ Co-Chair of the Enterprise Risk Management Group
➤ Member of the Dean's Advisory Council
➤ 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 Policy Committee
➤ Member of the National Institute of Standards and Technology Compliance Working Group
➤ Member of the Drug and Alcohol Task Force
➤ Member of the Digital Accessibility Working Group
➤ Member of the Professional Licensure Disclosure Committee
➤ Member of the Outside Activity/Conflict of Interest Workgroup
➤ Participant in the Biscayne Bay Leadership Team meetings
➤ Participant in COVID-19 Response Initiatives
  • Emergency Operations Committee COVID-19 Response Planning Briefings
  • CARES Act Emergency Funding Task Force
  • Repopulating FIU Campuses/Sites Task Force
  • Supervisor Guidelines Workgroup
➤ Participant in the Office of Civil Rights (OCR) Resolution Action Plan Workgroup
  • Design response to fulfill OCR Resolution required actions
  • Develop and implement a strategy to provide equal access to FIU's Learning Management System Content and functionality
  • Implement and maintain an accessible process for LMS users to alert the University to LMS content with accessibility issues
  • Submit a report demonstrating that FIU has fully satisfied the terms of this Resolution Agreement
➤ Member of Ethics Policies Working Group
➤ Compliance Manager is a member of the Presidential Leadership Program

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 8

STANDARDS OF CONDUCT & POLICIES
University-wide Three -Year Policy Review
- Prepared and sent final communications to policy owners who had not yet completed the review process to prepare for completion of project on June 30, 2021.   - Developed internal operating procedure for Three-Year Policy Review process to inform future reviews.
2020-2021 Policy Development Process
- Managed the Policy Development Process, including ushering new or significantly revised policies through the appropriate review process by DAC and OPS prior to posting.   - Consulted with policy owners during various stages of the policy development process.   - Requested review and feedback from our third-party consultant, Gartner, over the policy framework process.   - Led by Athletics Compliance, worked with the Office of General Counsel, Athletics, and the Office of the President to develop a policy, training, and operational system to address Name, Image and Likeness Legislation.   - Collaborated with the Office of General Counsel and Office of Research and Economic Development to develop a policy and process for addressing institutional conflict of interest for University leaders. Finalized policy and procedures and developed a communications plan for affected employees. Presented in DAC/OPS and Executive Committee. Worked with sub-committee to finalize policy and procedures based on feedback from Executive Committee. Received feedback from the University President. Met with Institutional Conflicts of Interest (ICOI) work group to provide responses to President's feedback to draft policy.
Support and Resource the University Policy Working Group
- Managed second-tier review and feedback process for revised policies submitted by the Policy Owners.   - Updated Policy Working Group Member Scorecard to reflect the significant contributions of the group members.

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 9

Increase University Policy Awareness

- ➢ Continued to work with Policy Owners to determine the frequency and appropriate audience for Policy Campaigns through the Three-Year Policy Review process and individually for each Policy Campaign.
- ➢ Continued to work with Human Resources to utilize the HR Newsletter as a new/updated policy communication tool.
- ➢ Launched Inaugural Compliance Newsletter, including a section highlighting new University policies and updates to the University Policy Library

TRAINING EDUCATION & COMMUNICATIONS

2020 – 2021 Annual and Scheduled Training, Education, and Communication

- ➢ Designed, developed, and issued eight compliance trainings to University faculty and staff including:
  - ➢ FERPA Basics
    - 96% campaign completion
    - 6,343 employees trained
  - ➢ FIU Clery Act Basics
    - 97% campaign completion
    - 424 employees trained
  - ➢ Health Insurance Portability and Accountability (HIPAA) Act Basics
    - rolling enrollment
    - employees trained: 837 (CY 2020), 800 (CY 2021)
  - ➢ Payment Card Industry Data Security Standard (PCI-DSS) for Merchants
    - rolling enrollment
    - employees trained: 265 (CY 2020), 168 (CY 2021)
  - ➢ Payment Card Industry Data Security Standard (PCI-DSS) for IT
    - rolling enrollment
    - employees trained: 51 (CY 2020), 17 (CY 2021)
  - ➢ Red Flags – Preventing ID Theft with Data Security
    - 97% campaign completion

- 1,080 employees trained
➢ The FIU Chosen First Name and Pronoun Use Training
  - 100% campaign completion
  - 173 employees trained
➢ Travel at FIU
  - 100% campaign completion
  - 684 employees trained

➢ Designed, developed, and issued nine policy attestation courses including:
  ➢ Acquisition, Assignment, and Use of University Vehicles
    - 100% campaign completion
    - 179 employees trained
  ➢ Nepotism
    - 100% campaign completion
    - 119 employees trained
  ➢ Export Control
    - 99% campaign completion
    - 427 employees trained
  ➢ Environmental Management
    - 100% campaign completion
    - 79 employees trained
  ➢ Fraud Prevention and Mitigation
    - 99% campaign completion
    - 701 employees trained
  ➢ Firearms and Dangerous Weapons
    - 96% campaign completion
    - 187 employees trained
  ➢ Access Control for University Buildings
    - 100% campaign completion
    - 156 employees trained

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 11

➢ Security in Laboratories with Special Hazards
  • 97% campaign completion
  • 193 employees trained
➢ Conflict of Interest Policies Acknowledgement
  • 95% campaign completion
  • 1073 employees trained

➢ Conducted the New Employee Experience Compliance and Ethics training (bi-weekly).

Process Improvements to Training and Education Program

➢ Leveraged the improved Escalation Protocol to maximize completion rates for 11 campaigns.
➢ Completion rates at the final escalation level averaged 99% for regular employees (this represents an increase from 2018-2019 where there was an average completion rate of 83% at the final escalation level, and from 2019-2020 where there was an average completion rate of 98% at the final escalation level).
  • Communicated with Deans and Vice Presidents regarding individual department completion rates to leverage their assistance with communicating the importance of completing compliance-related tasks to their teams.
  • Coordinated with Employee and Labor Relations to ensure that for those employees who did not complete a required compliance task following the escalation period, a notification was placed in their personnel file which impacts the Performance Excellence Process (PEP) compliance rating for the applicable year.
  • Worked with Employee and Labor Relations to send out final escalation notices for all remaining 2020-2021 campaigns and to effectuate non-compliance memorandum in the individual personnel files. Provided notice to the supervisors of the affected employees.
➢ Developed and implemented a robust Training and Communications Plan with the Outside Activity/Conflict of Interest Workgroup related to updates to the policy and platform. Developed Frequently Asked Questions and other resources to assist the University community in understanding Outside Activity/Conflict of Interest Compliance obligations.
➢ Worked with the College of Medicine Information Technology to streamline university-wide HIPAA training for medical students.
➢ Worked with FIU Develop to determine hosting status for trainings and policy attestations and determined 2021-2022 training modules to be hosted on the platform.

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 12

> ➢ Worked with Conflict of Interest Workgroup to update Conflict of Interest Policy, update the Conflict of Interest reporting system, create training and communications to the FIU Community regarding Conflict of Interest reporting requirements and leverage attestation system as a communication tool for new state legal requirements.

New Export Control Website and Updates to University Compliance Website and Policy Library

> ➢ Performed substantive updates to University Compliance Website to accommodate changes to the University Compliance Program (e.g., FAQs and information related to the new Ethical Panther Hotline platform).
> ➢ Prominently featured the Inaugural Compliance Newsletter ("Compliance Matters") in landing page of University Compliance Website.
> ➢ Engaged in campaign to ensure references to the Ethical Panther Hotline throughout the University were updated to reflect new platform and reporting information on all University Websites and pages.
> ➢ Worked with the Registrar to develop and implement FERPA acknowledgement in PantherSoft. Began collaboration regarding automizing annual FERPA training by connecting it to the PantherSoft sign in. Expected rollout in Fall 2021.

MEASUREMENT & MONITORING

Health Insurance Portability and Accountability Act (HIPAA) – University-wide HIPAA Assessment

> ➢ Completed phase three of the Privacy Program Assessment (PPA), which is an administrative evaluation of the University's HIPAA privacy and security-related policies, procedures, management processes, physical characteristics, and workforce awareness.
>   • Of the applicable Privacy Rule standards and the Breach Notification Rule, 100% were rated as fully or substantially meeting regulatory compliance requirements.
> ➢ Continued work with the Director of Health Affairs Compliance to develop series of HIPAA training modules.
> ➢ Reviewed the process and communication tools used to effectuate the HIPAA Privacy Training requirement for all employees in the HIPAA Hybrid units.
> ➢ Partnered with Human Resources to develop a more automated system to effectuate HIPAA compliance training.
> ➢ Began work to assist HIPAA Hybrid units in fully implementing and operationalizing University-wide privacy-related policies and procedures within their unit specific workflows.

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 13

> ➢ Worked in collaboration with the Office of General Counsel, Information Technology, and Internal Audit to determine a go forward recommendation for compliance with Audit findings and HIPAA Security Rule requirements. Worked with HIPAA committee and CynergisTek to determine solution for patient privacy monitoring services.

Foreign Influence Assessment Modules

> ➢ Assessment modules represent a risk-based, comprehensive strategy to identify, assess, mitigate, and monitor risk associated with universally identified areas of focus related to foreign influence.
> ➢ Engaged in first three of ten assessment modules to identify measures to minimize foreign influence risk in the overall context of FIUs international academic and research mission.
> - Engaged in assessment module regarding <u>Foreign Nationals on Campus: Visa-holders and Visitors</u> – assesses preventative measures to selectively detect and avoid undue foreign influence where it could potentially arise in the context of foreign nationals on campus.
> - Engaged in assessment module regarding <u>Conflicts of Interest and Commitment</u> – assesses Conflicts of Interest and Conflicts of Commitment policies and processes pertaining to global engagement scenarios. Collaborated with workgroup members from the Office of the General Counsel, the Office of Research and Economic Development, the Division of Human Resources, and the Office of the Provost to
>   - o Change Conflict of Interest policy and procedures due to changes in state laws
>   - o Incorporate new foreign influence procedures due to federal and state regulations
>   - o Draft new Institutional Conflict of Interest policy and procedures
>   - o Develop and implement Communications and Training Plan for University community
> - Engaged in assessment module <u>Compliance with Export Controls</u> - assesses the alignment of export control processes to account for and support foreign influence prevention strategies.

Compliance Calendar Monitoring

> ➢ Administered the Compliance monitoring calendar which includes deadlines for items requested of business partners throughout the campus by regulators.
> ➢ Built a second step in the process to verify required submissions were made.
> ➢ Continued to work with Information Technology to build an automated platform to support this Compliance monitoring function. Met frequently with Division of Information Technology to develop system requirements, review platform

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 14

development status, and provide feedback. Working toward final approval of platform configuration.
- ➢ Communicated with business partners to remind them of deadlines and to seek verification of submissions for the following compliance items within this reporting period:

  - New Hire Report
  - Annual IPEDS Finance, Fall Enrollment, and Graduation Rates Report
  - National Collegiate Athletic Association (NCAA) Legislative Review Institution Vote
  - Social Security Number Verification Report
  - NCAA Annual Certification/Test to Recruit Off-Campus
  - NCAA Division I Concussion Safety Protocol
  - 2021 Accountability Plan
  - Internal Revenue Code (IRC) Unrelated Business Income Tax (UBIT) Report (Form 990T / Form 8868)
  - 3rd Q: Shared Initiatives University Savings Report
  - NCAA Boar
  - Outlay Appropriations - Proposed CITF Projects
  - NCAA Federal Graduation Rates
  - Institutional Animal Care and Use Report
  - Helios First Generation - Annual Report
  - FIU Board of Trustees Approval of Preliminary Operating Budget
  - Johnson Scholarship: 2020-21 Applicants

ENFORCE AND PROMOTE STANDARDS THROUGH APPROPRIATE INCENTIVES AND DISCIPLINARY MEASURES

Align Completion of Compliance Tasks with the Performance Excellence Process (PEP)

- ➢ Worked with Human Resources to ensure consequences for employees who fail to complete required compliance tasks following an Escalation Protocol.
- ➢ Involved Human Resources Liaisons in the Escalation Protocol to communicate consequences of failure to complete required compliance tasks.
- ➢ Worked to implement a system to inform supervisors of employees who have not completed compliance tasks for inclusion in the Performance Excellence Process (PEP).

FIU Board of Trustees
Audit and Compliance Committee
September 14, 2021
Office of University Compliance & Integrity Quarterly Report

P a g e | 15

Compliance Liaison, Policy Committee, and Executive Scorecards

➢ Enhanced Scorecard system to serve as an incentive for completing compliance tasks and contributing to a culture of compliance and as a method for communicating non-compliance through the reporting chain for discipline, if appropriate.
➢ Added all required compliance tasks to the Executive Scorecard to be presented to both DAC and OPS during the monthly meetings and forwarded to the University President.
➢ Added detail to the Policy Workgroup scorecard illustrating participation in the three-year policy review process to be forwarded to each member's supervisor.

RESPOND PROMPTLY TO DETECTED PROBLEMS AND UNDERTAKE CORRECTIVE ACTION

Administer, Support, and Promote the Florida International University Ethical Panther Hotline

➢ Continued administration of the FIU Ethical Panther Hotline to include review and tracking of all open reports, including nine new reports (during the review period), data compilation, trend review, and reporting.
➢ Coordinated the triage of reports by the Hotline Reports Review Committee ("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.
➢ Updated hotline FAQ, including those related to the Florida whistleblower law. Included whistleblower language in draft BOT fraud regulation.
➢ Responded to each identified reporter to confirm that the report had been 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.
➢ Developed form to facilitate the investigation and documentation of resolution by external units who do not have access to the case management system for Ethical Panther Hotline report submissions.

New and Integrated FIU Ethical Panther Hotline and Case Management System
➢ Engaged in University-wide communications campaign announcing the move to a new Ethical Panther Hotline platform and encouraging University Community members to report any suspected misconduct or unethical behavior online or by phone using our new hotline platform.   ➢ Met with Human Resource Liaisons to educate them regarding the new platform so that they may assist those in their units with reporting.   ➢ Dedicated substantial space in the Inaugural Compliance Newsletter to announce the new platform, encourage reporting and answer questions.   ➢ Launched new platform.
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.   ➢ Met with FERPA Committee to investigate and recommend corrective action (if appropriate) for all reported FERPA violations.   ➢ Worked with Associate Athletic Director of University Compliance to ensure compliance with all NCAA regulatory obligations.
RISK ASSESSMENT
Educate Risk Owners Regarding Risk Management Principles
➢ 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.   ➢ Continued to meet with Internal Audit to discuss development and management of the Panther Enterprise Risk Management Platform.   ➢ Continued to review and address emerging risks in partnership with the Office of the General Counsel and other key stakeholders as they occur through new legislative requirements and institutional initiatives and obligations.

OFFICE OF INTERNAL AUDIT

ANNUAL REPORT 2020-2021

FIU | **Office of Internal Audit**

FLORIDA INTERNATIONAL UNIVERSITY

Date:	September 14, 2021
To:	Members of the Board of Trustees of Florida International University Dr. Mark B. Rosenberg, University President
From:	Trevor L. Williams, Chief Audit Executive
Subject:	**Annual Report for FY 2020-2021**

In compliance with Florida Board of Governors Regulation 4.002, the FIU Office of Internal Audit has prepared this annual report to summarize the Office's activities for the 2020-2021 fiscal year. Board of Governors Regulation 4.002(8) states that: "By September 30th of each year, the chief audit executive shall prepare a report summarizing the activities of the office for the preceding fiscal year." In addition, Board of Governors Regulation 4.002(6)(d) states that: "The chief audit executive shall develop audit plans based on the results of periodic risk assessments. The plans shall be submitted to the board of trustees for approval." On June 16, 2021, the Board of Trustees' Audit and Compliance Committee reviewed and approved the FIU Office of Internal Audit FY 2021-2022 Internal Audit Plan included herein.

Unlike any other time in recent history, our University's operations have experienced unprecedented changes due to COVID-19. We continue to adjust to these changed circumstances. Through it all, the FIU Office of Internal Audit will continue to promote effective controls, evaluate operational effectiveness, and identify opportunities to more efficiently and cost effectively deliver education and other beneficial services to the students at our University. We are committed to providing you with quality information to assist you in decision-making and fulfilling your duties and responsibilities.

We appreciate the support and encouragement you have provided, and the cooperation extended to us by University staff.

TABLE OF CONTENTS

INTRODUCTION

The FIU Office of Internal Audit (OIA) serves as an independent appraisal function for the University. Our audits of the University's colleges, departments, and programs evaluate financial processes, internal controls, operational efficiencies, and compliance with applicable laws, rules, regulations, and University policies with a view towards ensuring that services are appropriately delivered in the most efficient, effective, and economic manner possible. Our Office is also responsible for conducting investigations for allegations of fraud, waste, abuse, or wrongdoing, and whistle-blower complaints.

Vision:

To provide independent, objective assurance and consulting activity designed to add value and improve FIU operations.

Mission:

To enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight through a systematic disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, and control processes.
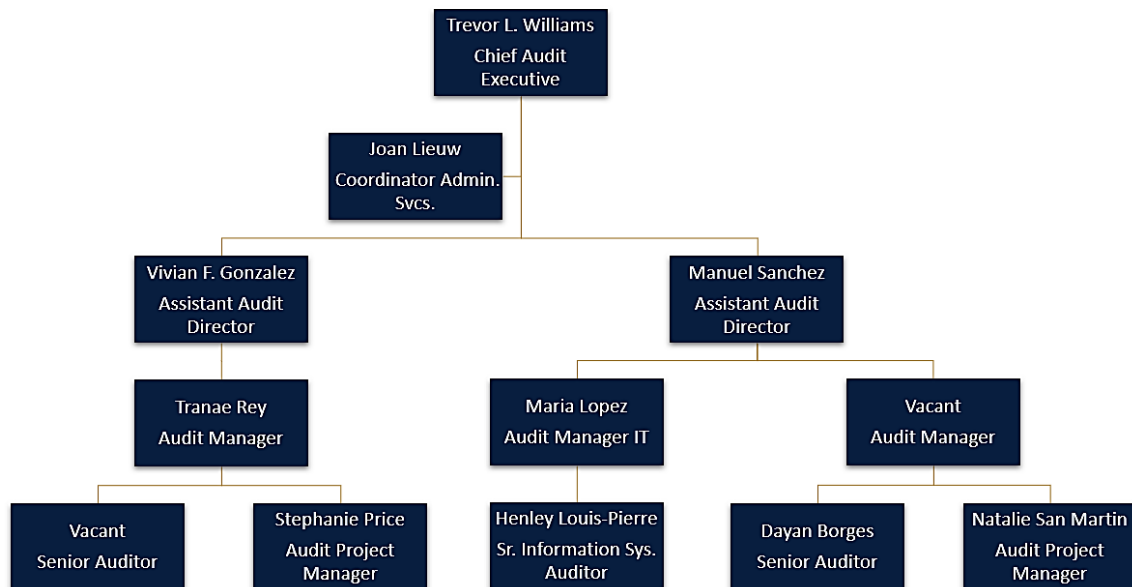
Recognizing the need for independence, the Chief Audit Executive (CAE) has direct reporting responsibility to the University's Board of Trustees' Audit and Compliance Committee. In addition, the audit staff has unrestricted access to all persons, records, systems, and facilities of the University. Our Office continues to benefit from this independence as we have not encountered any threats to our independence that may impair our ability to function in a manner consistent with our vision.

To accomplish our work, we prepare a risk-based annual audit plan that is reviewed and approved by the Audit and Compliance Committee. We perform our audit work in accordance with the *International Standards for the Professional Practice of Internal Auditing* adopted by The Institute of Internal Auditors (IIA).

ORGANIZATION

The Chief Audit Executive is appointed by the University President, in consultation with the Chair of the Audit and Compliance Committee, and operates under the general oversight of the University President. The Chief Audit Executive reports functionally to the Board of Trustees through the Audit and Compliance Committee and administratively to the President through the Chief of Staff. This reporting relationship promotes independence and assures adequate consideration of audit findings and planned corrective actions. The OIA staff reports to the Chief Audit Executive as depicted in the organizational chart below.

- **Trevor L. Williams** — Chief Audit Executive
  - **Joan Lieuw** — Coordinator Admin. Svcs.
  - **Vivian F. Gonzalez** — Assistant Audit Director
    - **Tranae Rey** — Audit Manager
      - **Vacant** — Senior Auditor
      - **Stephanie Price** — Audit Project Manager
  - **Manuel Sanchez** — Assistant Audit Director
    - **Maria Lopez** — Audit Manager IT
      - **Henley Louis-Pierre** — Sr. Information Sys. Auditor
    - **Vacant** — Audit Manager
      - **Dayan Borges** — Senior Auditor
      - **Natalie San Martin** — Audit Project Manager

Our office currently has two vacancies—an Audit Manager position and a Senior Auditor position. Our aim is to be fully staffed at the earliest possibility with qualified candidates.

STAFF TRAINING

Our internal auditors must possess the knowledge, technical skills, and other competencies needed to perform their individual responsibilities. Accordingly, we have a mandatory continuing professional development program. The entire audit staff individually receives a minimal number of approved training hours.

Professional Development

The Office is committed to maintaining a competent, professional staff. To that end, the audit staff continues to take advantage of available professional development opportunities through the various modalities permitted under the circumstances. In August, seven members of the staff attended a two-part virtual seminar on Fraud Detection and Incident Response, hosted by the Association of Inspectors General. In addition, Ms. Natalie San Martin, Audit Project Manager, attained The Institute of Internal Auditor's Certification in Risk Management Assurance (CRMA) designation in July 2020. During the year, nine staff members attended the Association of College and University Auditors (ACUA) AuditCon Webinar 2020, sponsored by ACUA. The audit staff also participated in a six-part webinar series, titled Battling Employee Misconduct, Theft and Fraud. Collectively, the OIA staff members completed 596 hours of professional development that are related to maintaining their professional competence.
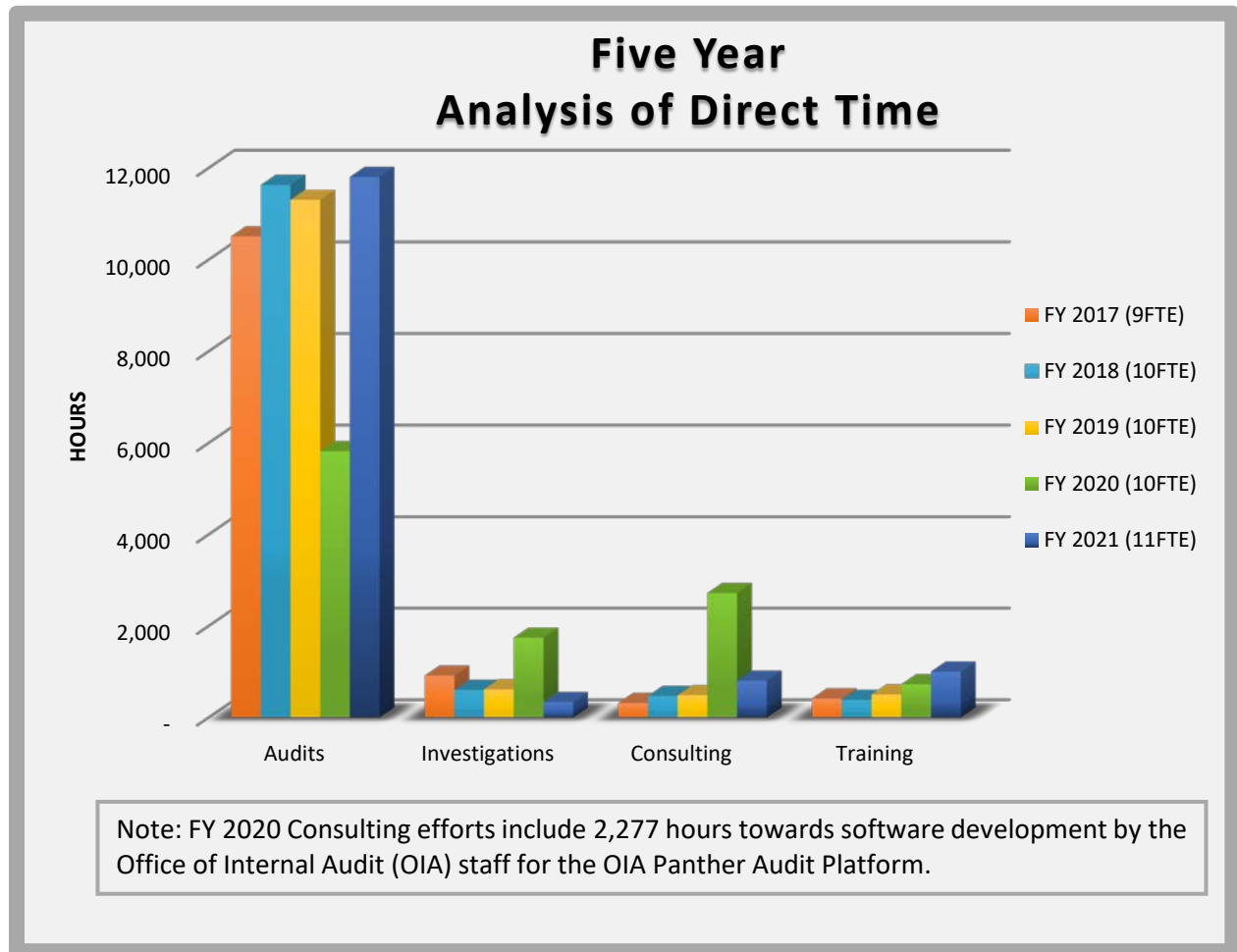
Professional Association

During the year, we also maintained group and individual affiliations with the following professional organizations:

> ➢ *American Institute of Certified Public Accountants*
> ➢ *Association of Certified Fraud Examiners*
> ➢ *Association of College and University Auditors*
> ➢ *Association of Healthcare Internal Auditors*
> ➢ *Association of Inspectors General*
> ➢ *Association of Local Government Auditors*
> ➢ *Information Systems Audit and Control Association*
> ➢ *The Institute of Internal Auditors*

The following graph reflects how the OIA's direct staff time was spent during the past five fiscal years:

Five Year Analysis of Direct Time

Note: FY 2020 Consulting efforts include 2,277 hours towards software development by the Office of Internal Audit (OIA) staff for the OIA Panther Audit Platform.

As depicted, our workload is often difficult to predict from year to year as investigations and other unplanned work affect our progress towards completion of all the planned audit projects.

During the 2019-2020 fiscal year, a significant portion of the Office's resources was spent investigating an increased number of serious complaints and developing, testing, and launching our Panther Audit Platform—a tool that assists management with managing their outstanding audit issues. During FY 2020-2021, we realigned our resources with a greater focus on executing the approved audit plan. This realignment resulted in the Office completing 12 internal audits in FY 2020-2021 compared to seven in FY 2019-2020.

AUDIT ACTIVITY

Audit of Payroll Irregularities, Fraud Controls, and New Employee Document Verification

We performed an audit of Payroll Irregularities, Fraud Controls, and New Employee Document Verification for the period September 21, 2019, through October 4, 2019, and assessed the practices through August 2020. The primary objective of the audit was to determine whether there were adequate and effective controls and procedures in place to ensure that new employee documentation was adequately completed and that established processes over data processing and maintenance of employee information in PantherSoft Human Resources were adequate and effective to prevent the creation of fictitious employees and for the hiring and separation of employees. The audit also assessed the Division of Human Resources (HR) compliance with University policies and procedures, and applicable laws, rules, and regulations.

During this period, the University paid total gross wages and benefits of $22,822,272, hired 177 employees, terminated 64 employees, and transferred 59 employees within departments.

We were pleased to report that our audit found no instances of fictitious employees and found that HR has adequate controls in place for mitigating payroll-related risks. Nevertheless, we identified opportunities for improvement related to the documentation for on-call pay, faculty vacation leave time reporting, completing relevant termination documents, timely terminating employees within PantherSoft, and monitoring data inputs and modifications performed by Central HR super users for irregularities. We offered nine recommendations, which management agreed to implement.

Audit of Compliance with Donor Confidentiality and Intent

At the request of the CEO of the Florida International University Foundation, we completed an audit of Compliance with Donor Confidentiality and Intent for philanthropic gifts managed by the Foundation for the period July 1, 2018, through January 31, 2020, and assessed their practices through July 31, 2020. The primary objective of our audit was to determine whether: a) procedures and controls to ensure compliance with donor confidentiality and intent were adequate, b) philanthropic gifts were used

properly and comply with donor intent, and c) appropriate controls were in place to protect donor's personally identifiable information.

For the audit period July 1, 2018, through January 31, 2020, the Foundation recognized $50.2 million, net of the discount, in contribution revenues.

Overall, our audit found that the function was managed well. The Foundation has adequate procedures and controls in place to ensure compliance with donors' confidentiality and intent. Notwithstanding these noted controls, opportunities for improvement exist in Information Technology controls, specifically for identity access management, audit logs, and business continuity plan maintenance. We offered three recommendations, which management agreed to implement.

Audit of Covid-19 Student Financial Assistance Program

This audit of the 2019 Novel Coronavirus ("COVID-19") Student Financial Assistance Program was the first of two audits of the COVID-19 related funds the University received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This audit covered the period April 1, 2020, through July 31, 2020. The objectives of the audit were to determine whether the University was compliant with the requirements of the CARES Act and the guidance provided by the U.S. Department of Education as it pertained to: (a) the eligibility of students receiving distributions; (b) how distribution amounts were calculated; and (c) the manner of how eligible students were selected.

FIU was awarded $38,301,957 of the CARES Act Higher Education Emergency Relief Fund (HEERF), of which it allocated and distributed $19,150,979, fifty (50) percent of the total funds received, in emergency financial aid grants to students. The grants were distributed to 9,549 students from a total of 13,967 applications submitted between April 22 and June 3, 2020, when funds ran out. Subsequently, 2,362 additional applications were received through July 27, 2020. The grants are to be used to cover expenses directly associated with the disruption of campus operations due to the coronavirus, including food, housing, course materials, technology, health care, and childcare. The tasks of applying, managing, and distributing the funds were handled by the Office of Financial Aid and the Office of Scholarships.

The audit found that the University established an emergency aid awarding process consistent with the guidelines. However, the audit also found instances of the inaccurate calculation of awards and one case where a student received aid for the summer term although being ineligible during that term. Also, opportunities for improvement existed related to the systematic selection of eligible students.

Page 6 of 22

Audit of Athletics Health Services Billing and Collections Process and Contract Performance

This is an audit of the claims billing and collections process for medical services the University's Sports Medicine team provides to FIU student-athletes for injuries incurred. The audit covered the period of July 1, 2018, through June 30, 2019.

The primary objective of the audit was to determine if established controls and procedures were adequate to ensure that: a) internal medical services provided to student-athletes were accurately and timely billed, collected, and recorded; and b) services provided by the contracted claims billing company were effective and comply with the governing Service Agreement. The audit also evaluated related Information Technology (IT) controls over the software system that connects to electronic medical records and verified they were adequate and effective.

In summary, the audit found that controls over the claims billing and collections process for injuries to student-athlete needed significant improvement. There were control gaps in the process of monitoring the contract revenue that was generated by this activity. Compliance with the terms of the Service Agreement also deserved focused attention. Further, the vendor's contract performance and both parties' fundamental understanding regarding expectations under the terms of the contract were ambiguous, at best. We proposed 14 recommendations, which management agreed to implement.

Page 7 of 22

Audit of University Fleet Management

We completed an audit of University Fleet Management for the period January 1, 2019, through February 29, 2020, and assessed the practices through July 31, 2020. Broadly stated, the primary objective of our audit was to determine whether there were adequate and effective controls and procedures in place to ensure that the University fleet of approximately 630 vehicles and other pieces of equipment was properly accounted for, maintained, and operated under safe conditions.

While the Division of Fleet Management is responsible for the long-term strategic management and oversight of the day-to-day operations, the repair and maintenance of the fleet is outsourced to a fleet maintenance vendor.

In summary, we noted that the University's Fleet Management has established a robust maintenance program that ultimately expands the lifecycle of vehicles. Moreover, Fleet Management has timely addressed violations noted by official agencies. However, we noted areas for improvement related to the documentation of fuel policies and procedures, the timeliness of maintenance and inspections, the recording and tracking of accountable property, and the processes that promote safety. We offered 15 recommendations, which management agreed to implement.

Audit of the Performance Based Funding and Emerging Preeminence Metrics Data Integrity

For FY 2020-2021, the Florida Legislature and Governor allocated $560 million in performance-based awards, of which FIU received $66.2 million. This annual audit of the University's performance-based funding and emerging preeminent metrics is required by Florida Statute 1001.706. The primary objectives of our audit were to determine whether the processes established by the University ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support the Performance Based Funding and Emerging Preeminent Metrics and to provide an objective basis of support for the University Board of Trustees Chair and President to sign the representations made in the Performance Based Funding - Data Integrity Certification filed with the BOG by March 1 of each year.

Our audit confirmed that FIU continued to have good process controls for maintaining and reporting performance metrics data. In our opinion, the system, in all material

Page 8 of 22

Page 58 of 104

respects, continued to function in a reliable manner. Nevertheless, although having no adverse impact on the calculation of the metrics tested, we noted three conditions related to some ancillary University processes for data maintained in PantherSoft that suggested the need for process improvements thereto.

Audit of the CARES Act Institutional Relief Funds

This audit of the Coronavirus Aid, Relief, and Economic Security (CARES) Act Institutional Relief Funds is the second of two pertaining to COVID-19 relief funds received by the University. The audit covered expenditures between April 1, 2020, and December 31, 2020. The objective of the audit was to determine whether the established controls for the use of CARES funds were: (a) adequate and effective; (b) being adhered to; and (c) compliant with the requirements of the CARES Act, the guidance provided by the U.S. Department of Education (USDOE), and University policies and procedures. Specifically, we ensured: (a) the establishment of a clear nexus between the allowable reimbursement and significant changes to the delivery of instruction due to coronavirus; (b) the confirmation that student refunds (e.g., room and board, meals, and other fees), technology (e.g., laptops, hotspots) purchased for students, and other allowable costs originated on or after March 13, 2020; and (c) the assurance that funds were not used for endowments, athletic or religious facilities, and enrollment recruitment activities such as marketing and advertising.

The University refunded students approximately $3.4 million for unused housing expenses and $813,200 for unutilized meal plans through the CARES Act Institutional Relief Funds. Additionally, the University used $3.5 million to pay for the incremental costs for providing information technology, personal protective equipment, payroll, testing lab, contact tracing, and cleaning supplies due to the pandemic.

Overall, our audit found there were adequate procedures and controls in place over FIU's use of the CARES Act Institutional Relief Funds to ensure compliance with the CARES Act, USDOE guidance, and University policies and procedures. In addition, we concluded that the amounts determined for reimbursable costs from the USDOE were fairly calculated, in all material respects. We made four recommendations, which management agreed to implement.

Page 9 of 22

Audit of Grant Accounting – FIU Foundation Funded

We completed an audit of Grant Accounting – FIU Foundation Funded for the period July 1, 2019, through June 30, 2020, and assessed the practices through March 1, 2021. The primary objectives of our audit were to determine whether: (a) there were adequate and effective controls in place for the proper administration of FIU Foundation-funded research, (b) there were adequate controls in place to detect and prevent researchers from circumventing the Foundation and University grant approval processes, and (c) Foundation-funded research funds were used properly in accordance with gift requirements and University policies and procedures.

During the audit period, there were 51 active Research Projects, which incurred expenses totaling $1,730,463. For the same period, seven Research Projects with contributions totaling $745,712, were opened.

Our audit found that apart from a single instance related to the reimbursement of $43,614 of travel expenses connected to a donor's quid pro quo contribution as defined by the Internal Revenue Service Publication 1771, Research Project funds were used consistent with the gift requirements and University policies and procedures. In addition, we found no instances of researchers circumventing the University's grant approval process through the Foundation or auxiliaries. However, we noted that although the Research Project administration training provided to staff was robust, a monitoring component was lacking. We offered three recommendations, which management agreed to implement.

Page 10 of 22

Examination of the Department of Parking, Sustainability and Transportation's Compliance with Contract Number HSMV-0548-18

We examined the Department of Parking, Sustainability and Transportation's ("Parking") Compliance with Contract Number HSMV-0548-018 ("MOU-0548-18") with the Florida Department of Highway Safety and Motor Vehicles, pursuant to Section VI, Part B of the Memorandum of Understanding for Governmental Entity Access to Driver and Vehicle Information Database System. The objectives of the examination were to determine whether Parking's policies and procedures for protecting personal data were: (1) adequate and effective, (2) being adhered to, and (3) designed to ensure that the confidentiality of the data was maintained and protected. This includes an evaluation of the controls in place to prevent unauthorized access, distribution, use, modification, or disclosure of personal data. The examination also certified that: (1) all deficiencies and/or issues found during the examination have been corrected and (2) corrective measures have been enacted by Parking to prevent recurrence.

We concluded that the examination procedures we performed provided us with a reasonable basis for concluding that the current internal controls adequately protected personal data from unauthorized access, distribution, use, modification, or disclosure, in accordance with the identified criteria outlined in MOU-0548-18, in all material respects. We also determined that all deficiencies and/or issues found during the examination either have been corrected or corrective measures have been enacted by Parking to prevent recurrence.

Review of Expense Reports

We performed a review of employee Expense Reports, wherein we discovered a control weakness in their preparation related to expenses paid for with the University's Departmental credit card. We identified this issue while working with available data in developing a pilot for a continuous monitoring framework for implementation into the Office of Internal Audit workflow.

We identified $27,018 in overpayments mostly to employees ($651 was overpaid to a hotel) during the period of November 15, 2017, through April 5, 2021, due to said control weakness. Of this amount, $5,055 had been previously identified as overpayments by either the respective employee, department, or the Office of the Controller and had been reimbursed to the University. However, $21,963 remained uncollected at the time of this report. We recommended that management pursue reimbursement of the uncollected amounts and implement preventive and detective controls to prevent a recurrence.

Procurement and Competitive Bidding Procedures

We performed an audit of Procurement and Competitive Bidding Procedures for the period July 1, 2018, through March 31, 2020, and assessed the practices through March 31, 2021. The primary objective of our audit was to determine if established controls and procedures over the purchase of commodities through the University's purchase order system were adequate, effective, and being adhered to. We were also interested in determining whether purchases approximating $268 million expended through 27,631 Purchase Orders (POs) were compliant with University policies and procedures, applicable laws, rules, and regulations, and followed industry best practices.

In summary, we noted that there were adequate and effective controls in place for the purchase of commodities and contractual services; specifically, the informal and formal solicitation processes followed state statutory competitive solicitation and exceptions requirements. However, we identified possible enhancements to the procurement process that were not compliance-related but were operational. Advanced spend analyses were not performed, which among other benefits, provide additional spend visibility and identify savings opportunities. In addition, there was a lack of proper documentation in some instances, specifically related to POs, piggyback contracts, and sole source exemptions. We also noted that the pricing for purchases made utilizing Blanket POs may not be adequately verified against the contracts. We proposed six recommendations, which management agreed to implement.

Media Sanitization Guidelines and Controls

We completed an audit of Media Sanitization Guidelines and Controls. The primary objective of our audit was to determine whether the technology controls in place provide reasonable assurance that media sanitization processes were compliant with the State of Florida regulations, University policies and procedures, and the National

Institute of Standards and Technology (NIST) guidelines, to minimize the risk of unauthorized University data disclosure upon the transfer or disposal of media.

The Division of Information Technology is responsible for validating that any information systems equipment used for University business is erased using clearing, purging, or destruction techniques prior to the media being sent to surplus, reused, donated, and/or discarded.

Overall, our audit identified areas where FIU has opportunities to strengthen the media sanitization processes. Those include:

- Incorporating specific repeatable sanitization procedures for various media in a formal operations manual.
- Leveraging important additional capabilities of the media sanitization tools currently in use or being offered by other tools.
- Finalizing and communicating an organization-wide data classification policy and aligning Media Sanitation Guidelines with current practices.
- Improving the recordkeeping pertaining to sanitized devices by applying an MSCID sticker to all such devices and electronically documenting the details required by NIST upon their sanitization.
- Establishing and implementing procedures for the verification of sanitization results.
- Defining the frequency for testing and calibrating sanitization equipment and establishing a log to record equipment testing activity.
- Updating the Media Sanitation Guidelines to include defining circumstances requiring the sanitization of portable media and dual authorization, media sanitization equipment and types of media, and the approval required for any exceptions to the guidelines, among other enhancements.
- Developing, in collaboration with Surplus, training content specific to FIU media sanitization protocol.

We proposed 13 recommendations, which management agreed to implement.

INVESTIGATION ACTIVITY

One of the responsibilities of the OIA is to investigate allegations of financial fraud, waste, abuse, wrongdoing, and any whistle-blower complaints. Accordingly, from time to time, our office receives and reviews complaints from various sources: The Chief Inspector General, the BOG's Inspector General, the FIU hotline, Human Resources, and directly from a complainant. During FY 2020-2021, our office received eight such complaints,

which were either fully investigated by us or referred to the appropriate University staff for follow-up after our initial evaluation of the complaint.

BOG regulation requires that an appropriately redacted final investigative report shall be submitted to the appropriate action officials, board of trustees, and the Board of Governors if, in the CAE's judgment, the allegations are determined to be significant and credible.

In addition, throughout the year, our office worked with the Office of Compliance and Integrity and the Department of Human Resources in evaluating and assigning complaints received through the University's complaint hotline to the appropriate personnel to investigate.

CONSULTING ACTIVITY

During the fiscal year, our Office has taken advantage of opportunities to provide support, in an advisory capacity, to University management. Office resources were utilized in significant amounts in providing consulting services to management in their oversight of Higher Education Emergency Relief Funds I, II, and III. Also, we have provided similar support to University management in their efforts to reach a satisfactory resolution to the contractual matters related to Athletics medical billing.

AUDIT FOLLOW-UP ACTIVITY

Our Office has a systematic process for following up on outstanding audit recommendations through their implementation. Each month, through the OIA Panther Audit Platform, automatic notifications are sent to the issue-owners of recommendations that are due for implementation. The self-reported status of the recommendations by management and their verification and validation by audit staff are documented in the Platform. We believe this tool advances our audit follow-up function to a posture of greater accountability from University management. The results of our audit follow-up activity are reported to the University President and BOT on a six-month interval.

During FY 2020-2021, there were 103 recommendations that were due for implementation. Through our validation of the reported status, we concluded that 100 recommendations (97 percent) were completed and three (3 percent) were partially implemented.

Implementation Status of Audit Recommendations For FY 2021

3%

97%

■ Completed

■ Partially Implemented

Page 15 of 22
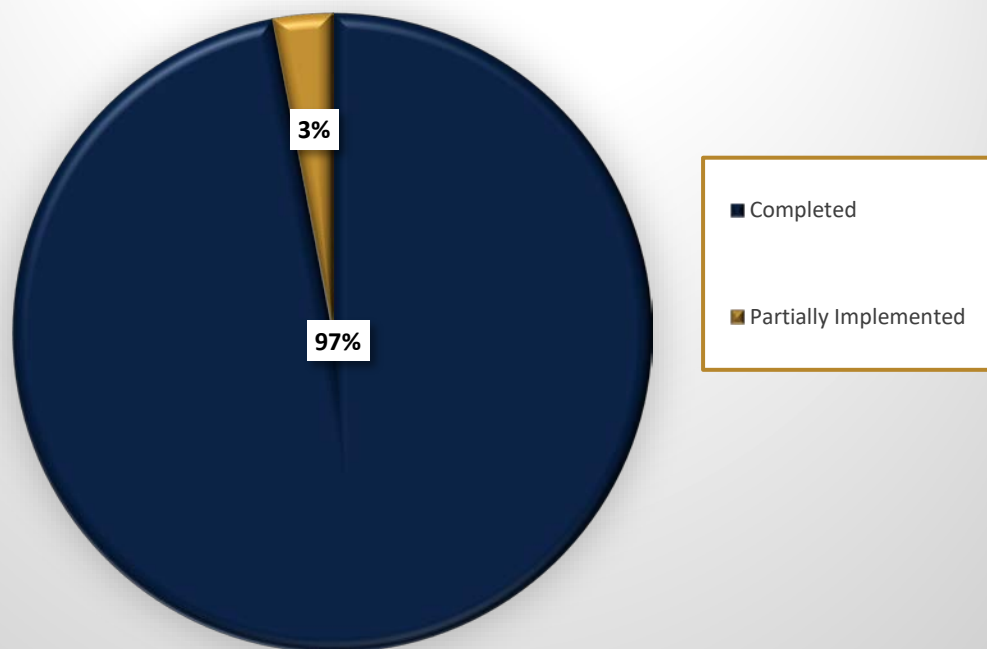
RISK MANAGEMENT

Through our periodic and engagement level risk assessments, we may identify risks faced by the University. Risks that are evaluated as significant or high are considered for audit coverage either during a planned or current audit. Similarly, while performing an audit, we may uncover certain risks, conditions, or matters of concern, which we will report and recommend that management take the necessary corrective action. We have found that all such recommendations made to management during FY 2020-2021 have been accepted by management.

OTHER ACTIVITIES

Newsletter and Technical Alerts

In keeping with our vision, we continue to seek means of providing independent, objective assurance and consulting services designed to add value and improve FIU's operations. Our quarterly newsletter, *FIU Office of Internal Audit Risks* ◈ *Controls* ◈ *Compliance Alert* provides content to inform FIU stakeholders about existing and emerging risks borne out of recent and past audits, as well as other important resources. In addition, the newsletter highlights a recent success story of applying good internal controls or other practices. Additionally, our Office continues the practice of disseminating all published audit reports to all vice presidents within the University and other key personnel to make them aware of common audit issues found through our audits. Our aim is to add value to the University and strengthen accountability through the information contained in our newsletter and technical alerts.
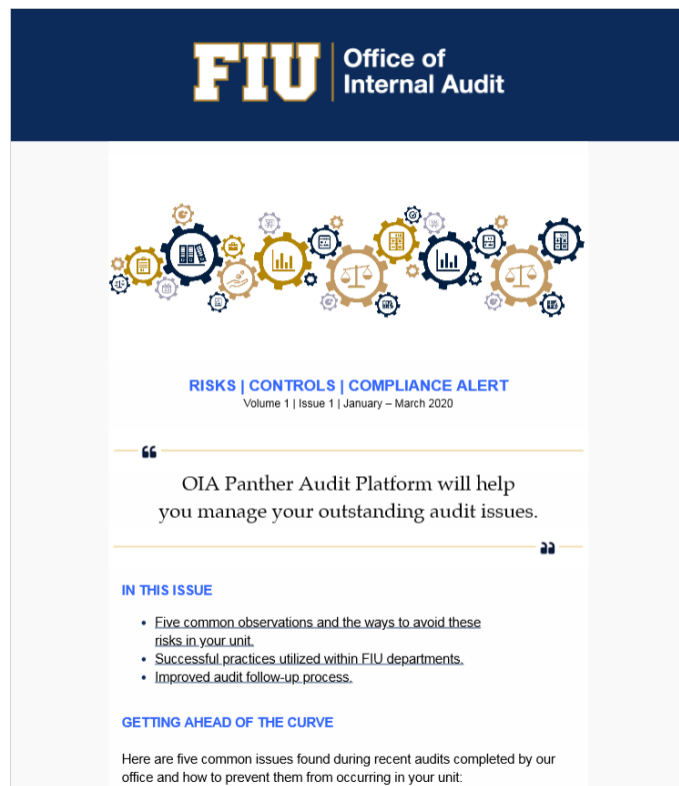
Data Analysis and Continuous Auditing

During FY 2020-2021, our Office re-engineered its audit workflow to include a greater emphasis on data analysis. As such, we made it a requirement to consider specific areas within our audit scope to which data analysis could be applied when planning each audit. To advance this initiative further, we have developed a model for continuous auditing and began piloting the model during the last quarter of the fiscal year.

University Anti-Fraud Framework

With the adoption of the Florida Board of Governors Regulation 3.003, *Fraud Protection and Detection*, the CAE and the Chief Compliance and Privacy Officer have collaborated on drafting the related proposed new University Regulation for adoption by the Board of Trustees. The proposed Regulation promotes zero-tolerance for fraudulent activity and establishes criteria for a risk management framework that provides reasonable assurance that fraudulent activities within the University's areas of responsibility are prevented, detected, reported, and investigated.

State University Audit Council

The CAE maintained participation in the State University Audit Council through his attendance at the Council's monthly meeting of fellow State University System CAEs and BOG representatives. The meetings provide an avenue for discussing the various matters that are of concern to the SUS audit community and the BOG Office of Inspector General.

AUDIT PLAN

Every year, the BOT approves a risk-based plan prepared by the CAE. In preparing the plan, the CAE consults with senior management and the BOT and obtains an understanding of the organization's strategies, key business objectives, associated risks, and risk management processes. The CAE reviews and adjusts the plan, as necessary, in response to changes in the organization's business, risks, operations, programs, systems, and controls, and updates the BOT on any required changes.

This approach fulfills our goal of allocating internal audit resources effectively and focusing on the imminent risks to the University's operations. We realize that many University operations will again be in transition to pre-pandemic conditions. The 2021-2022 plan factors into its development the corollary of the transition and the recruitment challenges of finding appropriately qualified candidates to fill open positions.

Risk Assessment

Consistent with the prior year, we developed this year's audit plan by using the 2019 University-wide risk assessment and the 2021-2025 Five-year Audit Plan as a baseline. To ensure the risk profile determined through the University-wide risk assessment was reflective of the current and anticipated near-term conditions, we re-evaluated certain risk factors and solicited the input of Audit and Compliance Committee members, the University President, senior management, and audit staff. Through this collective effect, we adjusted the risk ratings and areas of audit focus for relevance and timing, as needed. We considered the typical relevant risk factors, including operational, safety, financial, regulatory, and reputational risks, as well as materiality and past audit coverage.

A compilation of the risks and their relative rating, based on the established rating criteria, is presented in the Risk Assessment Heat Map on the following page. To achieve the best use of audit resources, we continue to focus our audit coverage primarily to areas of high risks (those falling within the red section on the heat map). This focus is reflected on the combined Risk Assessment/Five-Year Audit Plan (page 21). We collaborate with the Office of University Compliance and Integrity on developing strategies for addressing and mitigating the other identified risks.

At its June 16, 2021, meeting, the BOT approved the audit plan for the 2022 fiscal year presented on page 20.

FLORIDA INTERNATIONAL UNIVERSITY

THE OFFICE OF INTERNAL AUDIT UNIVERSITY RISK ASSESSMENT HEAT MAP

IMPACT			Remote	Less than likely	Likely	Very likely
	Lasting damage to reputation, operations & funding.	Severe	39	24	8	5
	Disrupts operations over months; up to $1M at risk.	Significant	108	125	28	5
	Short-term negative effects/press; up to $250K at risk.	Moderate	112	159	34	2
	Minor regulatory or reputational effects; < $25K at risk.	Negligible	169	43	5	1
			Remote	Less than likely	Likely	Very likely
			Chance of occurrence < 10%	Chance of occurrence = 10% - 30%	Chance of occurrence = 30% to 75%	Chance of occurrence > 75%

LIKELIHOOD

Page 19 of 22

The following table outlines our approved audit plan for FY 2022:

AUDIT PLAN FY 2022	
Carryover Audits:	
Affiliated Agreements for Student Placement and Rotation •	
Conflict of Interest and Related Party Transactions •	
Data Breach of Protected Information •	
Lab Safety •	
Proposed New Audits:	
Unit/Department	**Area of Focus**
Academic Affairs	Student Health Center •
Analysis and Information Management	Performance Based Funding Metrics Data Integrity •
Athletics	NCAA Football Attendance Certification •
College of Medicine	Human Subject Research Controls •
College of Public Health & Social Work	Operational Controls •
External Relations, Communications, & Marketing	Brand Alignment and Affinity Management and Digital/Web Communication Standards Compliance •
Information Technology	Cybersecurity Prevention and Detection Controls •
Information Technology	Physician Assistant Program – IT Controls •
Research & Development	Research Training and Policy Compliance •
University-wide	Export/Import Controls •
University-wide	FERPA Compliance •
University-wide	General Data Protection Regulation Controls •
University-wide	Student Safety – Hazing and Alcohol Abuse Prevention •
University-wide	Admissions Policy Compliance •
University-wide	Follow-up of Prior Audit Recommendations •
Targeted	Continuous Auditing

Florida International University Office of Internal Audit
Risk-Based Five-Year Audit Plan

No.	Operational Unit/Area	General Subject Matter	Risk Index	Prior	2019	2020	2021	2022	2023	2024	2025	2026
1.	Academic Affairs	Student Health Center	(2/4)	x				✓				
2.	Academic Affairs	Applied Research Center	(3/3)								✓	
3.	Academic Affairs	Food Network South Beach Wine & Food Festival	(2/4)	x	x				✓			
4.	Academic Affairs	COVID-19 Related Student Fee Refund – (3/2)	[3/1]				x					
5.	Analysis & Information Management	Performance Based Funding Metrics	(2/2)	x	x	x	x	✓	✓	✓	✓	✓
6.	Athletics	Major NCAA Violations	2/3						✓			✓
7.	Athletics	Title IX Violations	3/2							✓		
8.	Athletics	Health Services Billing & Coding Process – (2/4)	[1/1]				x					
9.	Athletics	NCAA Football Attendance Certification	(2/3)	x	x	x		✓	✓	✓	✓	✓
10.	Capital Construction	Project Administration & Funding	(2/4)	x						✓		
11.	College of Arts & Science	Information Technology and Financial Controls	(3/3)	x						✓		
12.	College of Medicine	Affiliated Agreements for Student Placement & Rotation	3/4	x			x					
13.	College of Medicine	Human Subject Research Controls	4/4	x				✓				
14.	College of Nursing and Health Sciences	Auxiliary Funded Programs Operations	(3/2)			x				✓		
15.	College of Public Health & Social Work	Operational Controls	(3/2)					✓				
16.	Enrollment Services	Motor Vehicle Internal Controls & Data Integrity	(4/1)	x		x				✓		
17.	Environmental Health & Safety	Lab Safety	3/4	x			x			✓		
18.	Environmental Health & Safety	Hazardous Wastes & Materials Management	2/4	x						✓		
19.	Environmental Health & Safety	Regulatory & Code Compliance	2/3	x						✓		
20.	External Relations, Communications, & Marketing	Comprehensive/Coordinated Content Driven Solutions	4/3							✓		
21.	External Relations, Communications, & Marketing	Brand Alignment and Affinity Management and Digital/Web Communication Standards Compliance	4/4					✓				
22.	Financial Management	Purchasing & Competitive Bidding Process	2/3	x	x	x	x			✓		
23.	Financial Management	Treasury Management	(1/2)			x					✓	
24.	FIU Foundation	Donor Intent/Confidentiality - 2/3	[2/2]	x			x				✓	
25.	Housing & Residential Life	Student Housing	4/2	x						✓		
26.	Human Resources	New Employee Document Verification Process - 4/3	[3/2]				x			✓		
27.	Human Resources	Payroll	(4/3)	x	x				✓			
28.	Human Resources	Overpayment of Terminated Employees	(3/2)	x	x				✓			
29.	Information Technology	Data Breach of Protected Information	3/4	x	x			✓				
30.	Information Technology	IT Physical Controls	3/3	x					✓			
31.	Information Technology	Panther Tech	(3/3)						✓			
32.	Information Technology	Data Loss Prevention Controls	(3/2)	x	x	x				✓		
33.	Information Technology	Cybersecurity Prevention and Detection Controls	(4/3)					✓				
34.	Information Technology	Vendor Management	(3/3)	x						✓		
35.	Information Technology	Physician Assistant Program – IT Controls	(3/2)					✓				
36.	Information Technology	Media Sanitation Guidelines & Controls	(3/3)				x				✓	
37.	Instruction & Academic Support	Grading Integrity Management	4/3						✓			
38.	Parking & Transportation	Motor Vehicle Internal Controls & Data Integrity	(4/1)	x	x		x			✓		
39.	Plant Operations & Maintenance	Motor Pool (University Fleet Management) - 4/4	[4/2]	x			x			✓		
40.	Plant Operations & Maintenance	Access Controls – Secure Locations	3/3	x						✓		
41.	Plant Operations & Maintenance	Facilities Inspections & Deferred Maintenance	3/3	x							✓	
42.	Plant Operations & Maintenance	Construction Accident Reporting	2/4								✓	
43.	Plant Operations & Maintenance	Student Safety – Safety Athletic & Recreational Facilities	2/3	x						✓		
44.	Police Department	Jeanne Clery Act Compliance	(2/4)	x							✓	
45.	Research & Development	Research Training & Policy Compliance	3/3	x				✓				
46.	Research & Development	Biohazards Response Management	2/3	x							✓	
47.	Research & Development	Information Technology Controls	(3/4)						✓			
48.	Research & Development and College of Medicine	Plagiarism & Research Misconduct Management & Controls	3/3						✓			
49.	Student Affairs	Children's Creative Learning Center	(3/3)	x						✓		
50.	University-wide	Accounts Receivable Process	(3/2)			x					✓	
51.	University-wide	Conflict of Interest & Related Party Transactions	3/3	x				✓				
52.	University-wide	Export/Import Controls	4/4					✓				
53.	University-wide	Payroll Irregularities and Fraud Controls 3/3	[3/2]				x			✓		
54.	University-wide	Grant Accounting – Auxiliary & Foundation Funded – 4/4	[3/2]				x					✓
55.	University-wide	FERPA Compliance	3/3	x				✓				
56.	University-wide	COVID-19 Financial Assistance Compliance - 3/4	[3/2]				x					
57.	University-wide	Natural Disaster Preparedness & Response	3/4						✓			

Florida International University Office of Internal Audit													
Risk-Based Five-Year Audit Plan													
No.	Operational Unit/Area	General Subject Matter	Risk Index	Past Coverage			Audit	Planned Audit Coverage				
				prior	2019	2020	2021	2022	2023	2024	2025	2026
58.	University-wide	Use of Student Fees	2/3	x	x						✓	
59.	University-wide	Grant Expenditure Controls	2/3	x						✓		
60.	University-wide	General Data Protection Regulation Controls	(3/4)					✓				
61.	University-wide	Background Check – Volunteers & Third Parties	(4/3)	x	x				✓			
62.	University-wide	Student Safety – Hazing & Alcohol Abuse Prevention	(3/4)					✓				
63.	University-wide	Admissions Policy Compliance	(3/4)					✓				
64.	University-wide	Follow-up on Prior Audit Recommendations	(4/1)	x	x	x	x	✓	✓	✓	✓	✓
65.	Targeted	Continuous Auditing	N/A					✓	✓	✓	✓	✓

Note: The Risk Index represents the coordinates of the X and Y axes as plotted on the Risk Assessment Heat Map. Parenthetic Risk Index is assigned by OIA to specific audit project identified through analyses other than the risk assessment survey tool. Bracketed Risk Index represents the adjusted risk rating for the general subject matter. Where such an adjustment is made, the initial Risk Index appears in the title line of the general subject matter. See Attachment 1 for a crosswalk between the planned audits and the higher rated risks.

Page 22 of 22

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FIU | **University Compliance and Integrity**

FLORIDA INTERNATIONAL UNIVERSITY

University Compliance Program
Annual Report
2020-2021

FIU | University Compliance and Integrity

FLORIDA INTERNATIONAL UNIVERSITY

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Audit and Compliance Committee
September 14, 2021

UNIVERSITY COMPLIANCE PROGRAM ANNUAL REPORT (2020-2021)

ACKNOWLEDEMENTS

The Office of University Compliance and Integrity ("Compliance Office") would like to acknowledge the Audit and Compliance Committee, President, Executive Team and Senior Management for their support and top-down leadership in maintaining and continuing to build the Florida International University ("FIU") institutional compliance and ethics program ("Program"), and everyone who has supported our commitment to maintaining a culture of ethics and compliance. We especially acknowledge the FIU Community Members who make a robust and comprehensive compliance program possible through an individual commitment to ethical conduct, compliance with the law and *doing the right thing*.

PURPOSE AND SCOPE

The purpose of the FIU Program is to promote and support a working environment which reflects FIU's commitment to operating with the highest level of integrity while maintaining compliance with applicable laws, regulations, and policies. The Program applies to all FIU campuses, facilities, and operations, and to the senior leaders, management, faculty, and staff ("Employees"), and where appropriate, the FIU Board of Trustees ("BOT") members, vendors, volunteers, donors and contractors (collectively, "Community Members"). The Program includes structural components, systems, and practices designed to nurture and preserve a culture of truth, freedom, respect, responsibility and excellence while building ethics and compliance into the daily activities of Community Members. This is done, in part, by providing education and training on compliance-related topics, assisting in developing FIU policies, helping Community Members to understand the policy development process, explaining and supporting the responsibilities and obligations of our Community Members who are public employees and clarifying and interpreting FIU policies, procedures and regulations.

PROGRAM DESIGN

The Program is designed and administered, recognizing that building and maintaining a culture of ethics and compliance are shared responsibilities and requires a commitment from all Community Members. The Program is also designed to prevent, detect, and correct misconduct within FIU in reasonable satisfaction of the requirements of Chapter 8 of the U.S. Federal Sentencing Guidelines

(FSG) and Florida Board of Governors Regulation 4.003. The guidelines and regulation set forth the requirements of an "effective ethics and compliance program."

FEDERAL SENTENCING GUIDELINES FOR ORGANIZATIONS

The FSG, promulgated by the United States Sentencing Commission in 1991 outlines organizational sentencing guidelines used by Federal Judges to determine whether a defendant organization had an "effective compliance program" in place to prevent the violations for which it is being charged. In 2004, the Commission amended the Guidelines to clarify and strengthen the requirements of an "effective compliance and ethics program."

Organizations are expected to exercise due diligence to prevent and detect criminal conduct and to promote a culture that encourages ethical conduct and compliance with the law. The following elements set forth the minimum criteria for a program to be deemed effective:

Elements of an effective compliance program

(based on Chapter 8 of the U.S. Federal Sentencing Guidelines)

- **Effective program structure and oversight to ensure compliance with the governing body**
- **Documented compliance and ethics standards of conduct and policies**
- **Effective training, education, and communication to the governing body and employees**
- **Exercise of due diligence in hiring and assignment of delegation of authority and responsibility**
- **Measurement and monitoring to ensure that the compliance and ethics program is followed**
- **Promotion of the program and consistent investigation, discipline and incentives**
- **Corrective action is taken in response to identified weakness or compliance failures**
- **Development of an effective compliance risk assessment and management review and response process**

OFFICE OF UNIVERSITY COMPLIANCE AND INTEGRITY

Meet our Team

Jennifer LaPorta

Chief Compliance & Privacy Officer

Luz Cabrera-Frias

Assistant Director Compliance

Dayanis Borges

Compliance Manager

Lilia Bourzac

Sr. Coordinator of Administrative Compliance

Steven Patterson

Director Compliance & Privacy Health Affairs

Kevin Kendrick

Assoc. Athletic Director Compliance

Octavia Gibbs

Director of Athletics Compliance - Financial Aid

Jimmy Fleming

Compliance Coordinator - Athletics

The goal of our staff in the Office of University Compliance & Integrity is to promote a culture that encourages ethical conduct and a commitment to compliance with laws and FIU community standards.
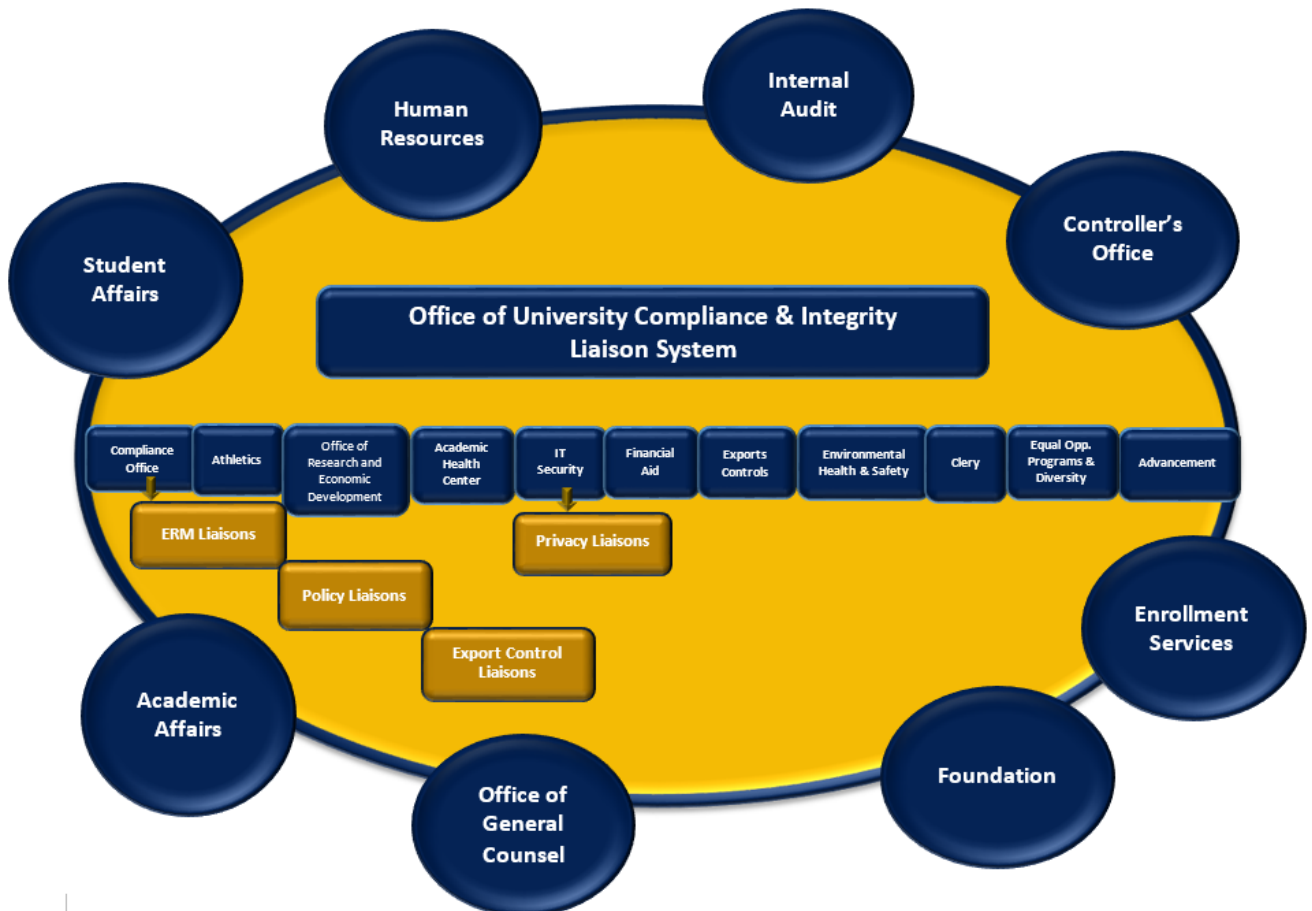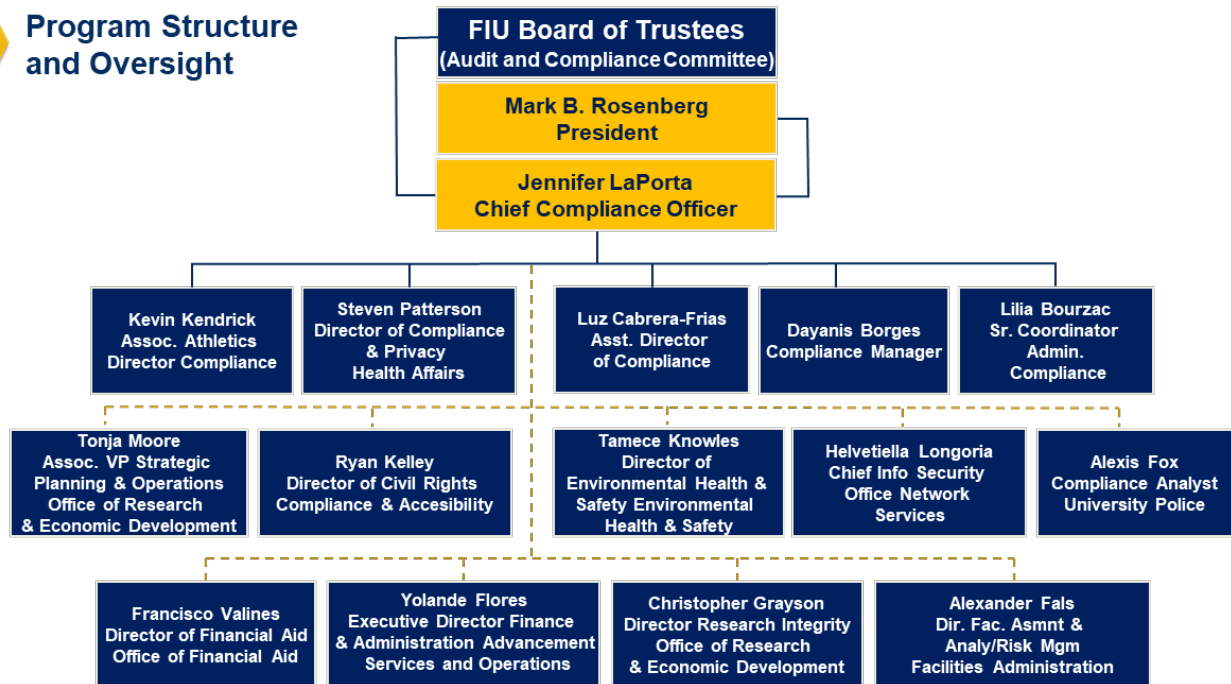
The Compliance Office is responsible for coordinating, supporting, and promoting the Program, as well as providing assurance to the BOT and to FIU leadership, that controls and mechanisms are in place to prevent, detect and mitigate compliance risk. In fulfilling these responsibilities, one of the primary objectives of the Compliance Office is to provide direction, guidance, and resources to faculty, staff and students on maintaining an ethical and compliant culture through an effective Program.

FIU Compliance Areas		
Accounting Irregularities	Discrimination	Institutional Review Board Violations
Access/Accommodations/Disability	Drug law policy violation	Identity Theft
Admissions Irregularities	Export Control Violations	Immigration Concerns
Animal Subject Research	Firearms and Dangerous Weapons policy violation	Information Security
Anti-bribery	FIU Trademarks	Interruption to campus operations or services
Billing for Health Care Services	Foreign Influence and Global Risk	Laboratory Safety
Child Abuse or Neglect	Fraud and Financial Abuse	NCAA Rules Violations
Conflict of Interest	Grant Expenditure Violations	Political Activity Violation
Criminal or civil charges against FIU Executives	Grant Performance	Privacy
Copyright infringement	Harassment	Research Misconduct
Damage to campus property	Institutional Animal Care and Use Committee	Retaliation
Death or serious bodily injury on campus	Institutional Bio-safety Committee/Institutional Review Entity Violations	Sexual Misconduct
		Workplace Safety

Compliance Governance

FIU Board of Trustees
(Audit and Compliance Committee)

Mark B. Rosenberg
President

Jennifer LaPorta
Chief Compliance Officer

Kevin Kendrick Assoc. Athletics Director Compliance	**Steven Patterson** Director of Compliance & Privacy Health Affairs	**Luz Cabrera-Frias** Asst. Director of Compliance	**Dayanis Borges** Compliance Manager	**Lilia Bourzac** Sr. Coordinator Admin. Compliance

Tonja Moore Assoc. VP Strategic Planning & Operations Office of Research & Economic Development	**Ryan Kelley** Director of Civil Rights Compliance & Accesibility	**Tamece Knowles** Director of Environmental Health & Safety Environmental Health & Safety	**Helvetiella Longoria** Chief Info Security Office Network Services	**Alexis Fox** Compliance Analyst University Police

Francisco Valines Director of Financial Aid Office of Financial Aid	**Yolande Flores** Executive Director Finance & Administration Advancement Services and Operations	**Christopher Grayson** Director Research Integrity Office of Research & Economic Development	**Alexander Fals** Dir. Fac. Asmnt & Analy/Risk Mgm Facilities Administration

Human Resources

Internal Audit

Student Affairs

Controller's Office

Office of University Compliance & Integrity
Liaison System

| Compliance Office | Athletics | Office of Research and Economic Development | Academic Health Center | IT Security | Financial Aid | Exports Controls | Environmental Health & Safety | Clery | Equal Opp. Programs & Diversity | Advancement |

ERM Liaisons

Privacy Liaisons

Policy Liaisons

Export Control Liaisons

Academic Affairs

Enrollment Services

Office of General Counsel

Foundation

The information below reflects the final status on key action items and other compliance activities for the 2020-21 reporting year.

Office of University Compliance & Integrity Annual Report
PROGRAM STRUCTURE & OVERSIGHT

Compliance Internal Operating Procedures

Department Internal Operating Procedure Template

Compliance Internal Operating Procedure

INITIAL EFFECTIVE DATE: TBD; LAST REVISION DATE: TBD

- ➢ Completed Process Improvement Assessment and developed Internal Operating Procedure for required HIPAA Privacy Training for all employees in the HIPAA Hybrid units. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- ➢ Completed Process Improvement Assessment and developed Internal Operating Procedure for required Compliance Training and Policy Attestation Escalation Process. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- ➢ Completed Process Improvement Assessment and developed Internal Operating Procedure for the Ethical Panther Hotline Case Management System. Engaged in testing and evaluation to optimize Internal Operating Procedure.

- Completed Process Improvement Assessment and developed Internal Operating Procedure for Visual Compliance Restricted Party Screening process. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- Completed Process Improvement Assessment and developed Internal Operating Procedure for the Travel Authorization Export Controls Review. Shared with Key Stakeholders to finalize Procedure.
- Completed Process Improvement Assessment and developed Internal Operating Procedure for Three-Year Policy Review. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- Completed Process Improvement Assessment and developed Internal Operating Procedure for publishing documents to the Policy Library. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- Engaged in Process Improvement Assessment with Human Resources for discipline/performance review consequences for failure to complete required Compliance tasks.
- Engaged in Process Improvement Assessment with the Division of Information Technology for the Compliance Calendar (tracking University-wide federal and state filings). Developing an IT Platform to automate current workflow before developing final Internal Operating Procedure. Engaged in approval process for final layout of platform.
- Engaged in Process Improvement Assessment for monthly reporting to the Dean's Advisory Council (DAC) and the Operations Committee (OPS).
- Engaged in Process Improvement Assessment for New Policy Development Process.

Foreign Influence and Global Risk Governance Activities

- Developed and launched new Export Control Website (exportcontrol.fiu.edu) which incorporates user-friendly interfaces and interactively linked forms, procedural guidance, materials, definitions, trainings, and go-to resources. Continued testing and process improvements for new Export Control Website throughout the Plan Year.
- Revised FIU's official Export Control Policy and Procedure and created centralized forms and process improvements to comply with regulatory requirements.
- Completed communications campaign for FIU's revised official Export Control Policy and Procedure and continued to create centralized forms and process improvements to comply with regulatory requirements.
- Issued special Alert regarding new shipping requirements for China, Russia, and Venezuela.
- Revised Deemed Export Review forms for incoming foreign nationals (visa holders) to further address technology exposure risk.
- Assigned recommended training (Defense Counterintelligence and Security Agency (DCSA) Webinar) to the Foreign Influence Task Force members during meeting held on July 16, 2020. The briefing discussed how

adversaries continue to target U.S. cleared defense contractors to illegally acquire sensitive information and technology. Focus was given to the increasing exploitation of IT systems and social media by foreign intelligence services and the resulting harm to U.S. national security.

➤ In cooperation with Global Affairs and the Office of the Controller, redesigned the Travel Authorization Request (TAR) process to incorporate export control and foreign influence filters and referral to University Compliance when needed. Engaged in testing and workflow enhancements to prepare for roll out of the incorporated Export Control Questionnaire. Rolled out the Export Control Workflow and began processing Export review and approvals.

➤ Coordinated a special meeting of the Global Risk and Foreign Influence Task Force on November 2, 2020, featuring Special Agent and Private Sector Coordinator for the Federal Bureau of Investigation (Miami Division) who presented to the group on foreign influence related matters affecting Florida International University.

➤ Continued assessment activities related to the first three of ten assessment modules to identify measures to minimize foreign influence risk in the overall context of FIUs international academic and research mission including: Foreign Nationals on Campus: Visa-holders and Visitors – assesses preventative measures to selectively detect and avoid undue foreign influence where it could potentially arise in the context of foreign nationals on campus; Conflicts of Interest and Commitment – assesses Conflicts of Interest and Conflicts of Commitment policies and processes pertaining to global engagement scenarios; and Compliance with Export Controls - assesses the alignment of export control processes to account for and support foreign influence prevention strategies. Module-specific subcommittees reported back to the larger Task Force and will continue to as we move forward.

➤ Coordinated FIU's response to Foreign Source reporting requirement pursuant to Section 117 Higher Education Act. Worked with the Office of the General Counsel (OGC) to communicate requirements, respond to questions, make process improvements to the reporting system, and develop guidelines for required July 31, 2020 and January 31, 2021, submissions which were both timely completed.

➤ Participated in regular International Travel Committee (ITC) meetings to review and issue recommendations regarding employee and student petitions for international (and domestic, during the pandemic) travel and student mobility programs. The ITC monitors, analyzes, and advises on the safety of the FIU community during international travel. The ITC begins monitoring efforts by reviewing the U.S. State Department issued "Travel Advisories". These advisories are produced when long-term, protracted conditions make a country dangerous or unstable. A Travel Advisory is also issued when the U.S. Government's ability to assist American citizens is constrained due to the closure of an embassy or consulate, or because of a drawdown of its staff. Use of the Travel Advisories help the ITC identify and consider the risks related to travel to the country. The Centers for Disease Control and Prevention (CDC) Advisories were also consulted and considered during the COVID-19 Pandemic. The ITC also monitors, references, and implements procedures to comply with the Office of Foreign Assets

Controls (OFAC) in the Department of Treasury, which imposes economic and trade sanctions against targeted foreign countries and regimes for reasons of national security.

➢ Worked with Export Controls consultant to make process improvements to the J-1 Due Diligence Process, IP Agreement, and International Travel Process, as well as to develop three additional training modules and international shipment notification. Developed international shipment questionnaire and export approval workflow in collaboration with FIU's Shipping Department.

➢ Collaborated with the Office of Research and Economic Development and the OGC to respond to the Public Integrity & Elections Committee February 2021 survey questions regarding integrity of research institutions.

➢ Conducted 814 visual compliance research reviews during the reporting period.

➢ Finalized International Collaboration Compliance Assessment Plan to assess FIU's International programs as part of FIU's overall Foreign Influence/Research Security strategy. The objective is to identify process gaps or vulnerabilities that could expose FIU to Foreign Influence/Research Security concerns and to offer targeted remedial recommendations. The first Assessment will be targeted to FIU's China activities and collaborations and, thereafter, additional "countries of concern" as identified by Florida State law and ongoing risk assessment.

➢ Chaired Foreign Influence and Global Risk Task Force Meeting held on September 23, 2020. The Office of Governmental Relations presented a legislative update to the group. The Chief Compliance Officer summarized FIU's response and actions taken to address several legislative developments and the group was also updated on the launch of the Export Control website. The OGC presented to the group regarding the work under way with respect to Conflict of Interest and Commitment and Foreign Nationals on Campus. Finally, the Export Control consultant led the group through a guided overview of ten strategic modules we will be implementing during the next several months to address foreign influence risks.

➢ Chaired Foreign Influence and Global Risk Task Force Meeting held on December 11, 2020. The Office of Governmental Relations presented a Foreign Influence Legislative Update to the group. FIU GLobal and Institutional Development, along with our Export Control consultant, summarized the work underway to address and respond to the November FBI presentation regarding China. The Conflict of Interest subcommittee outlined the significant process improvements undertaken to address recent legislation and to address identified gaps in the current process. They briefed the group on the changes that are being implemented for 2021 and the communication and training campaign that will take place in the first quarter of the year.

➢ Chaired Foreign Influence and Global Risk Task Force Meeting held on March 26, 2021. The Office of Governmental Relations presented a Federal and State Foreign Influence Legislative Update to the group. The state update included a detailed presentation regarding Fla. HB 7017. The discussion of the bill (which has since become law) informed robust discussion of the other Task Force agenda items and how existing University systems may be impacted by this legislation, specifically with respect to disclosure of foreign gifts and contracts, screening of applicants for research related positions and international travel monitoring and approval. Subcommittee

members offered an overview and summary of key procedural enhancements and strategic assessment module updates including an enhancement to the J-1 due diligence process, enhancements to University-wide international shipping requirements and a full overview of the changes to FIU's Conflict of Interest Process. The University's Export Control consultant summarized the key components and timeline of our proposed Compliance Assessment of FIU's International activities and collaborations.

➤ Chaired Foreign Influence and Global Risk Task Force Meeting held on June 29, 2021. After a brief recap of the previous meeting and a summary of the current meeting's Agenda, the Office of Governmental Relations presented a Foreign Influence Legislative Update to the group. The update included discussion of:

- S.1260 – U.S. Innovation and Competition Act Passed in Senate - $250 billion over the next five years for scientific research and development to strengthen competition against China
- Intellectual property developed by NSF and the prohibition from being transferred to foreign entities of concern
- Department of Commerce $1.5 billion fund that would spur neutral broadband technologies
- Office of Science and Technology Policy to develop a strategy to improve national competitiveness in science and support national security
- Added scrutiny of research security
- H.R. 2225 – National Science Foundation for the Future Act
- Senator Marco A. Rubio's request for a Government Accounting Office Study, examining the extent to which domestic and international Title VI programs are using resources lawfully, producing graduates that work in areas of national security needs, and providing balanced perspectives

Two members of the Office of General Counsel and the Foreign Influence Taskforce, who are also members of the HB7017 Board of Governor's (BOG) Taskforce, offered an overview and summary of the Regulation being drafted by the BOG Taskforce to comply with HB7017, highlighting main points to address the following five main components:

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

Following that discussion and the plan to create multidisciplinary sub-committees for each of the five main compliance components, FIU's Export Control's consultant presented Draft Foreign Influence Guidance and Jennifer LaPorta updated the group on the status of several Global Risk Initiatives, including the International Compliance Assessment, enhancements to the Travel Authorization Process and enhancements to FIU's shipping form to achieve more streamlined Export Compliance for foreign shipments.
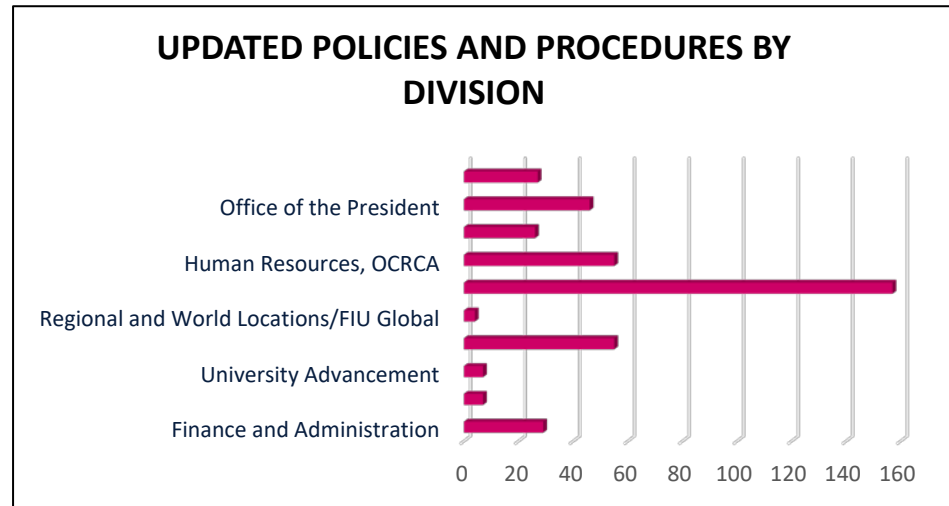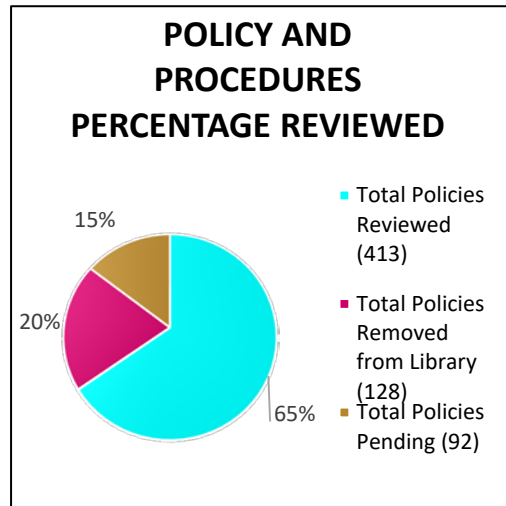
Participation in Task Force, Committee and Other Compliance-Related Initiatives

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

➢ Chair of the State University System Compliance Consortium
➢ Chair of the Global Risk and Foreign Influence Task Force
➢ Chair of the Policy Committee
➢ Chair of the Compliance Liaison Committee
➢ Co-Chair of the Health Insurance Portability and Accountability Act Committee
➢ Co-Chair of the FERPA Committee
➢ Co-Chair of the Enterprise Risk Management Group
➢ Member of the Dean's Advisory Council
➢ 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 Policy Committee
➢ Member of the National Institute of Standards and Technology Compliance Working Group
➢ Member of the Drug and Alcohol Task Force
➢ Member of the Digital Accessibility Working Group
➢ Member of the Professional Licensure Disclosure Committee
➢ Member of the Outside Activity/Conflict of Interest Workgroup
➢ Participant in the Biscayne Bay Leadership Team meetings
➢ Participant in COVID-19 Response Initiatives
  • Emergency Operations Committee COVID-19 Response Planning Briefings
  • CARES Act Emergency Funding Task Force
  • Repopulating FIU Campuses/Sites Task Force
  • Supervisor Guidelines Workgroup
➢ Participant in the Office of Civil Rights (OCR) Resolution Action Plan Workgroup
➢ Member of Ethics Policies Working Group
➢ Compliance Manager is a member of the Presidential Leadership Program
➢ Athletics Compliance convened and led the FIU Name, Image, Likeness (NIL) Working Group in an effort to prepare for implementation of Florida NIL legislation effective July 1, 2021. The focus of the group was to determine what policy and procedures, standard of monitoring, educational programming and platform would best support and maintain institutional control over FIU's compliance with both State and Federal NIL legislation.

STANDARDS OF CONDUCT & POLICIES

University-wide Three -Year Policy Review

POLICY AND PROCEDURES PERCENTAGE REVIEWED

- Total Policies Reviewed (413)
- Total Policies Removed from Library (128)
- Total Policies Pending (92)

15%
20%
65%

UPDATED POLICIES AND PROCEDURES BY DIVISION

Office of the President
Human Resources, OCRCA
Regional and World Locations/FIU Global
University Advancement
Finance and Administration

0   20   40   60   80   100   120   140   160

➢ Managed University-wide substantive policy review of 633 total policies and procedures.
➢ Removed 128 policies and procedures from the policy library as either repetitive, no longer applicable or because they did not otherwise meet the definition of a University policy.
   • Collaborated with the OGC, Human Resources, and Academic Affairs to remove several union policies from the policy library and add language describing the Collective Bargaining Agreement coordination with University policy.
➢ Submitted 339 policies to the Policy Committee for a "second tier" substantive review to provide feedback and recommendations to the policy owners.
➢ Communicated second-tier review feedback to policy owners for their consideration to include in their updated policies.
➢ Posted 413 policies to the Policy Library following full review, revision, and updating into the new comprehensive policy template.
➢ Prepared and sent final communications to policy owners who had not yet completed the review process to prepare for completion of project on June 30, 2021.
➢ Developed internal operating procedure for Three-Year Policy Review process to inform future reviews.

2020-2021 Policy Development Process

FIU's Policy Development Process Workflow
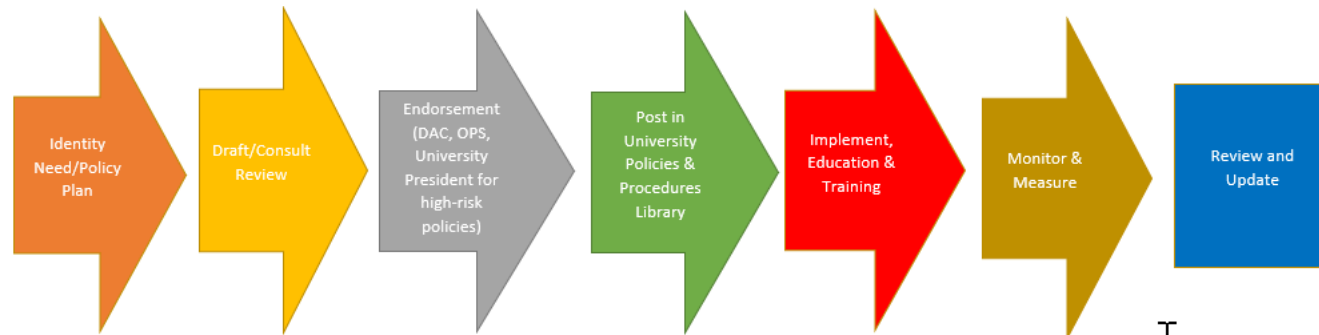
➤ Managed the Policy Development Process, including ushering 29 new or significantly revised policies through the formal Deans Advisory Council and Operations Committee review and endorsement process.

1. Representatives Policy and Procedure (New)
2. Right of Patients to Request Confidential Communications Regarding the Use and Disclosure of their Protected Health Information Policy and Procedure (New)
3. Use and Disclosure of Protected Health Information for Marketing Purposes and the Sale of Patient Protected Health Information Policy and Procedure (Revised)
4. Business Associate Agreements Policy and Procedure (Revised)
5. Authorization for Uses and Disclosures of Patient Protected Health Information Policy and Procedure (Revised)
6. Use and Disclosure for Which an Authorization or Opportunity to Agree or Object is NOT Required Policy and Procedure (New)
7. Uses and Disclosures of Patient Protected Health Information Requiring an Opportunity for the Patient to Agree or Object (Facility Directory, Clergy, Individuals in the Patients Care and Notification) Policy and Procedure (New)
8. Use and Disclosure of Patient Protected Health Information for Fundraising Purposes Policy and Procedure (Revised)
9. Verification Policy and Procedure (New)
10. Right of Patients to Request Restriction Regarding the Use and Disclosure of Their Protected Health Information Policy and Procedure (New)
11. Patient Access to Protected Health Information Policy and Procedure (New)

12. Amendment of Protected Health Information Policy and Procedure (New)
13. Accounting of Disclosures of Protected Health Information Policy and Procedure (New)
14. Complaints Under the HIPAA Privacy Rule, Mitigation, Refraining from Intimidating or Retaliation Policy and Procedure (New)
15. Designation of HIPAA Privacy Officer and Component Privacy and Security Coordinators Policy and Procedure (New)
16. HIPAA Privacy and Security Rule Training Policy and Procedure (Revised)
17. Policies and Procedures, Change to Policies and Procedures and Documentation Policy and Procedure (New)
18. Sanctions Policy and Procedure (Revised)
19. HIPAA Component Privacy Review and Audit Policy and Procedure (New)
20. Reporting of HIPAA Incidents and Notification in the Case of a Breach Policy and Procedure (New)
21. Adjunct Faculty and Graduate Teaching Assistant Policy (New)
22. Joint/Combined Graduate Degree Pathways (New)
23. Policy Rider: Adjustments or Modifications to Academic Policies during an Emergency (New)
24. Transfer Credits (Revised)
25. Discipline-Specific (Specialized) Accreditation (Revised)
26. Accelerated Bachelor's/Master's Degree (Revised)
27. Institutional Accreditation (Revised)
28. Digital Accessibility (New)
29. Consulting Agreements on Sponsored Projects (Revised)

➢ Consulted with policy owners during various stages of the policy development process.
➢ Requested review and feedback from our third-party consultant, Gartner, over the policy framework process.

Led by Athletics Compliance, worked with the Office of General Counsel, Athletics and the Office of the President to develop a policy, training and operational system to address Name, Image and Likeness Legislation. Collaborated with the OGC and Office of Research and Economic Development to develop a policy and process for addressing institutional conflict of interest for University leaders. Finalized policy and procedures and developed a communications plan for affected employees. Presented in DAC/OPS and Executive Committee. Worked with sub-committee to finalize policy and procedures based on feedback from Executive Committee. Received feedback from the University President. Met with Institutional Conflict of Interest work group to provide responses to President's feedback to draft policy.

Support and Resource the University Policy Working Group

➢ Prepared guidance documents for the Policy Working Group to assist in their second-tier substantive review of University policies as part of the Three-Year Policy Review process.

- ➢ Managed second-tier review and feedback process for revised policies submitted by the Policy Owners.
- ➢ Updated Policy Working Group Member Scorecard to reflect the significant contributions of the group members.
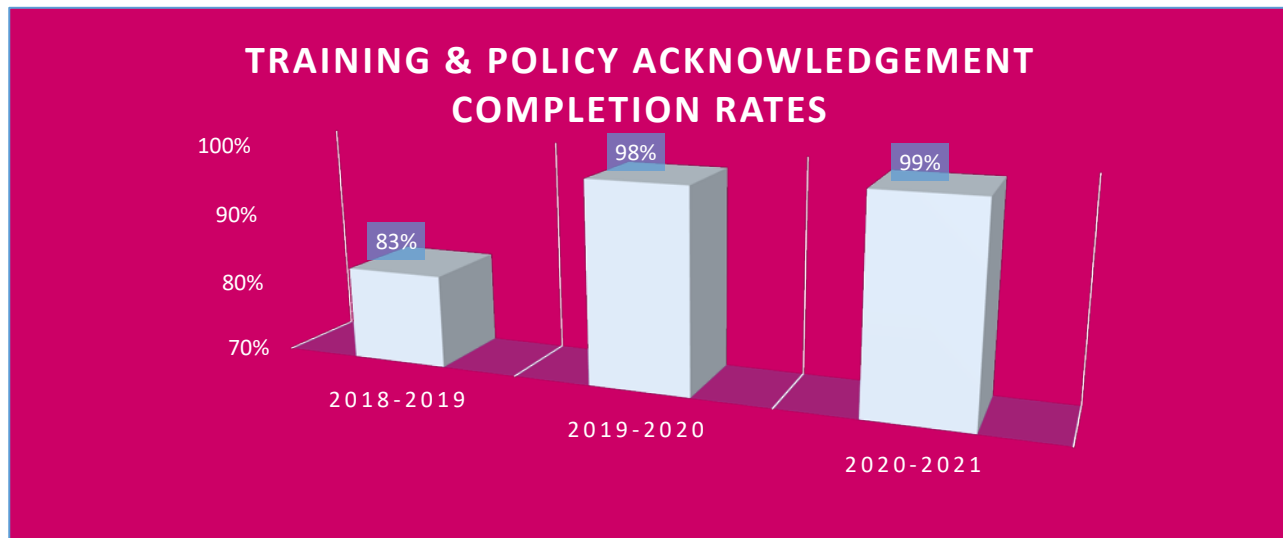
Increase University Policy Awareness

FIU's Compliance & Ethics Newsletter landing page

- ➢ Continued to work with Policy Owners to determine the frequency and appropriate audience for Policy Campaigns through the Three-Year Policy Review process and individually for each Policy Campaign.
- ➢ Continued to work with Human Resources to utilize the HR Newsletter as a new/updated policy communication tool.
- ➢ Launched Inaugural Compliance Newsletter, including a section highlighting new University policies and updates to the University Policy Library.

2020 – 2021 Annual and Scheduled Training, Education, and Communication

TRAINING & POLICY ACKNOWLEDGEMENT COMPLETION RATES

- ➤ Designed, developed, and issued eight compliance trainings to University faculty and staff including:
  - ➤ FERPA Basics
    - • 96% campaign completion
    - • 6,343 employees trained
  - ➤ FIU Clery Act Basics
    - • 97% campaign completion
    - • 424 employees trained
  - ➤ Health Insurance Portability and Accountability (HIPAA) Act Basics
    - • rolling enrollment
    - • employees trained: 837 (CY 2020), 800 (CY 2021)
  - ➤ Payment Card Industry Data Security Standard (PCI-DSS) for Merchants
    - • rolling enrollment
    - • employees trained: 265 (CY 2020), 168 (CY 2021)
  - ➤ Payment Card Industry Data Security Standard (PCI-DSS) for IT
    - • rolling enrollment

- employees trained: 51 (CY 2020), 17 (CY 2021)
- ➢ Red Flags – Preventing ID Theft with Data Security
  - 97% campaign completion
  - 1,080 employees trained
- ➢ The FIU Chosen First Name and Pronoun Use Training
  - 100% campaign completion
  - 173 employees trained
- ➢ Travel at FIU
  - 100% campaign completion
- 684 employees trained
➢ Designed, developed, and issued nine policy attestation courses including:
  - ➢ Acquisition, Assignment, and Use of University Vehicles
    - 100% campaign completion
    - 179 employees trained
  - ➢ Nepotism
    - 100% campaign completion
    - 119 employees trained
  - ➢ Export Control
    - 99% campaign completion
    - 427 employees trained
  - ➢ Environmental Management
    - 100% campaign completion
    - 79 employees trained
  - ➢ Fraud Prevention and Mitigation
    - 99% campaign completion
    - 701 employees trained
  - ➢ Firearms and Dangerous Weapons
    - 96% campaign completion
    - 187 employees trained
  - ➢ Access Control for University Buildings
    - 100% campaign completion

- 156 employees trained
  - ➢ Security in Laboratories with Special Hazards
    - 97% campaign completion
    - 193 employees trained
  - ➢ Conflict of Interest Policies Acknowledgement
    - 95% campaign completion
    - 1073 employees trained

➢ Conducted the New Employee Experience Compliance and Ethics training (bi-weekly).

Process Improvements to Training and Education Program

FIU Develop Landing Page – Sample course offering
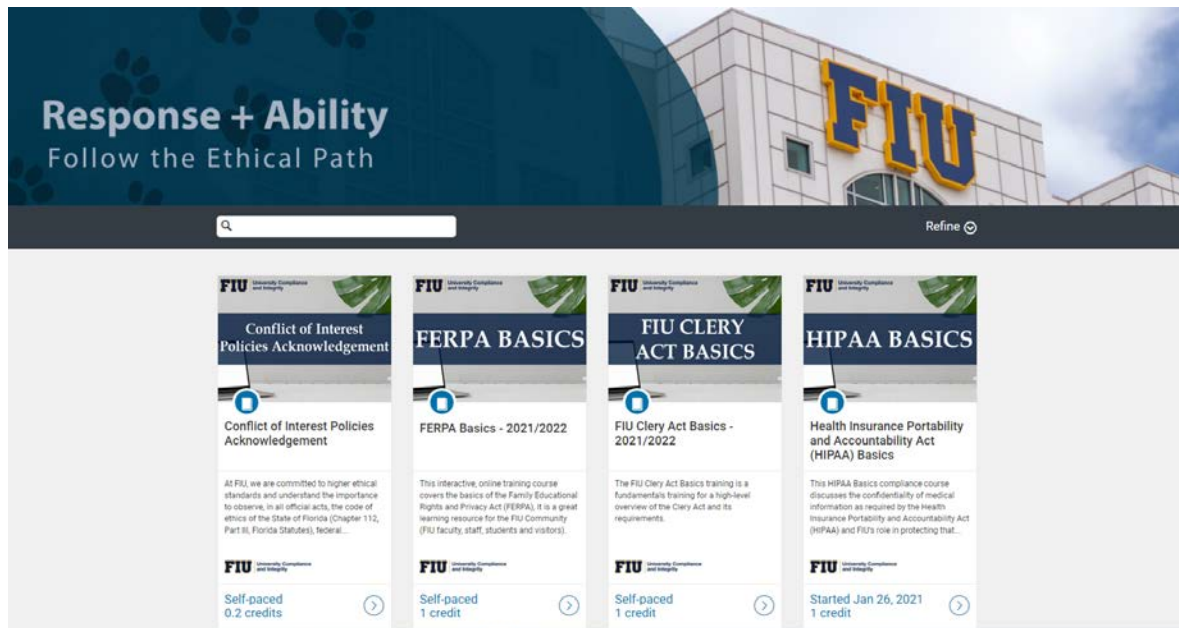
➢ Designed trainings customized to FIU with personal messages from the University leader hosting the training, connection to University resources, and quiz questions embedded in each policy attestation to improve comprehension.

- Performed a training campaign process improvement assessment and developed an Internal Operating Procedure to ensure efficacy and consistency in Campaign Escalation Protocol. Engaged in testing and evaluation to optimize Internal Operating Procedure.
- Utilized the Announcement and Messaging course notification and reminder functionality within the Canvas platform to maximize campaign completion rates and effectuate the Escalation Protocol.
- Leveraged the improved Escalation Protocol to maximize completion rates for 17 campaigns.
- Completion rates at the final escalation level averaged 99% for regular employees (this represents an increase from 2018-2019 where there was an average completion rate of 83% at the final escalation level, and from 2019-2020 where there was an average completion rate of 98% at the final escalation level).
  - Communicated with Deans and Vice Presidents regarding individual department completion rates to leverage their assistance with communicating the importance of completing compliance-related tasks to their teams.
  - Worked with Employee and Labor Relations to send out final escalation notices for all remaining 2020-2021 campaigns and to effectuate non-compliance memorandum in the individual personnel files which impacts the Performance Excellence Process (PEP) compliance rating for the applicable year. Provided notice to the supervisors of the affected employees.
- Continued to work with the FIU Develop team to enhance and troubleshoot the learning management system based on campaign feedback and continuous improvement assessment of the platform.
- Continued to work with Human Resources to effectuate phase II of the Canvas/Catalog project to include University-wide tracking and monitoring, and communication with PantherSoft and other FIU systems.
- Communicated with Deans and Vice President's regarding their own compliance obligations to be recorded in the Executive Scorecard. Executive leadership maintained a completion rate of 100% for assigned trainings during the reporting period.
- Chief Compliance Officer (CCO) attended Dean's Advisory Committee and Operations Committee meetings to present the Executive Scorecard and to communicate expectations for leadership participation in the Escalation Process.
- CCO submitted the Executive Scorecard to the University President.
- Developed and implemented a robust Training and Communications Plan with the Outside Activity/Conflict of Interest Workgroup related to updates to the policy and platform. Developed Frequently Asked Questions and other resources to assist the University community in understanding Outside Activity/Conflict of Interest Compliance obligations.
- Conducted Ethics/Ethical Leadership training for the College of Business leadership and supervisory employees.

- Worked with the College of Medicine Information Technology to streamline University-wide HIPAA training for medical students.
- Worked with FIU Develop to determine hosting status for trainings and policy attestations and determined 2021-2022 training modules to be hosted on the platform.
- Worked with Conflict of Interest Workgroup to update Conflict of Interest Policy, update the Conflict of Interest reporting system, create training and communications to the FIU Community regarding Conflict of Interest reporting requirements and leverage attestation system as a communication tool for new state legal requirements.
- Coordinated Whistleblower Training by a representative from the BOG for the OGC, the Office of University Compliance & Integrity, the Division of Human Resources, and Internal Audit. The training was designed to assist FIU key departments with assessing and further developing the systems we have in place to identify and address whistleblower complaints and to differentiate them from complaints that may not meet that standard but are still entitled to privacy/confidentiality protection and protection from retaliation.

New Export Control Website and Updates to University Compliance Website and Policy Library

Screenshots of Policies and Procedures Library Website & Export Control Website
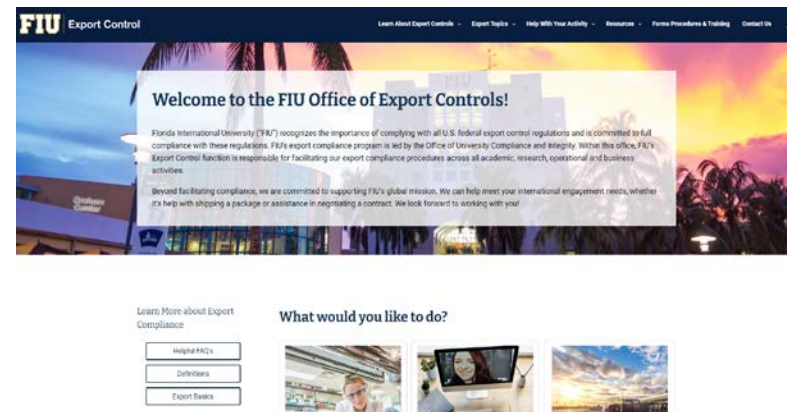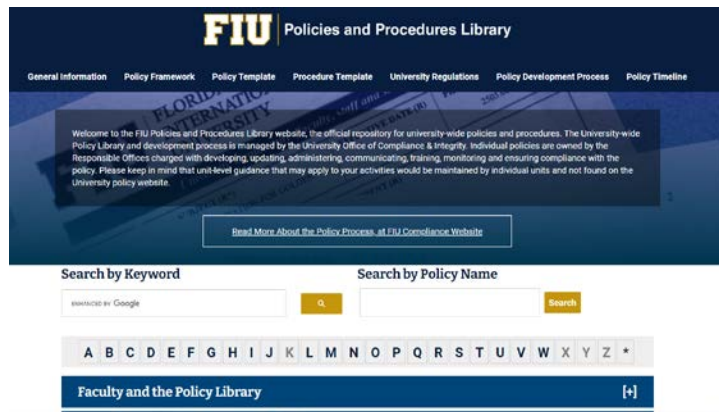
- Created, launched, and continued to test and incorporate process improvements to a new, intuitive, user-friendly Export Control website that fulsomely reflects the Program, and which will be effectively leveraged for training purposes.
- Worked with IT to implement design and process improvements into the University Compliance Website and the Policy Library.

- ➢ Worked with IT to implement process improvements into the University Policy Library to improve appearance, functionality, and searchability for the end-user experience.
- ➢ Performed substantive updates to University Compliance Website to accommodate changes to the University Compliance Program (e.g., FAQs and information related to the new Ethical Panther Hotline platform).
- ➢ Prominently featured the Inaugural Compliance Newsletter ("Compliance Matters") in landing page of University Compliance Website.
- ➢ Engaged in campaign to ensure references to the Ethical Panther Hotline throughout the University were updated to reflect new platform and reporting information on all University Websites and pages.
- ➢ Worked with the Registrar to develop and implement FERPA acknowledgement in PantherSoft. Began collaboration regarding automizing annual FERPA training by connecting it to the PantherSoft sign in. Expected rollout in Fall 2021.

MEASUREMENT & MONITORING

Health Insurance Portability and Accountability Act (HIPAA) – University-wide HIPAA Assessment

- ➢ Completed phase two of the Privacy Program Assessment (PPA), which is an administrative evaluation of the University's HIPAA privacy and security-related policies, procedures, management processes, physical characteristics and workforce awareness.
- ➢ Onsite interviews were conducted with personnel from across the organization with the use of a data collection questionnaire to facilitate the interviews.
- ➢ Consultants evaluated the organization's privacy related activities and documentation against the HIPAA Privacy Rule and Breach Notification Rule requirements.
- ➢ Compliance efforts resulted in significant measurable improvements in the University's HIPAA program. The efforts put forth to cure gaps found in the original assessment completed in the 2019-2020 Plan Year.
- ➢ Completed phase three of the Privacy Program Assessment
  - Of the applicable Privacy Rule standards and the Breach Notification Rule, 98% were rated as fully or substantially meeting regulatory compliance requirements. Two percent (2%) were rated as requiring a focused effort to meet regulatory compliance requirements.

- ➢ Continued work with the Director of Health Affairs Compliance to develop series of HIPAA training modules.
- ➢ Reviewed the process and communication tools used to effectuate the HIPAA Privacy Training requirement for all employees in the HIPAA Hybrid units.

- ➤ Partnered with Human Resources to develop a more automated system to effectuate HIPAA compliance training.
- ➤ Began work to assist HIPAA Hybrid units in fully implementing and operationalizing University-wide privacy-related policies and procedures within their unit specific workflows.
- ➤ Worked in collaboration with the OGC, Information Technology, and Internal Audit to determine a go forward recommendation for compliance with Audit findings and HIPAA Security Rule requirements. Worked with HIPAA committee and CynergisTek to determine solution for patient privacy monitoring services.

Foreign Influence Assessment Modules

- ➤ Assessment modules represent a risk-based, comprehensive strategy to identify, assess, mitigate, and monitor risk associated with universally identified areas of focus related to foreign influence.
- ➤ Engaged in first three of ten assessment modules to identify measures to minimize foreign influence risk in the overall context of FIUs international academic and research mission.
  - Engaged in assessment module regarding <u>Foreign Nationals on Campus: Visa-holders and Visitors</u> – assesses preventative measures to selectively detect and avoid undue foreign influence where it could potentially arise in the context of foreign nationals on campus.
  - Engaged in assessment module regarding <u>Conflicts of Interest and Commitment</u> – assesses Conflicts of Interest and Conflicts of Commitment policies and processes pertaining to global engagement scenarios. Collaborated with workgroup members from the OGC, the Office of Research and Economic Development, the Division of Human Resources, and the Office of the Provost to
    - o Change Conflict of Interest policy and procedures due to changes in state laws
    - o Incorporate new foreign influence procedures due to federal and state regulations
    - o Draft new Institutional Conflict of Interest policy and procedures
    - o Develop and implement Communications and Training Plan for University community
  - Engaged in assessment module <u>Compliance with Export Controls</u> - assesses the alignment of export control processes to account for and support foreign influence prevention strategies.

Compliance Calendar Monitoring

Example webpages of Compliance Calendar platform in development – Home Page and Requirement Status Dashboard for Owners (test data only)

- ➢ Administered the Compliance monitoring calendar which includes deadlines for items requested of business partners throughout the campus by regulators.
- ➢ Built a second step in the process to verify required submissions were made.
- ➢ Continued to work with Information Technology to build an automated platform to support this Compliance monitoring function. Met frequently with Division of Information Technology to develop system requirements, review platform development status and provide feedback. Working toward final approval of platform configuration.
- ➢ Communicated with business partners to remind them of deadlines and to seek verification of submissions for the following compliance items within the full Plan Year:
  - University Tuition and Fees for New Students (Cost of Attendance)
  - Social Security Number Verification Report
  - Florida Bar Membership Dues Report
  - Limited Access Monitoring Report
  - Office of Federal Affairs Federal Lobbying Disclosure Reports
  - National Collegiate Athletic Association (NCAA) Sports Sponsorship and Demographics Report
  - Internal Revenue Code (IRC) Employer's Quarterly Federal Tax Return (Form 941) Report
  - Annual Report for all J-1 Sponsors for the Exchange Visitor Program Report
  - Student Exchange and Visitor Information System (SEVIS) Report

- Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) Accreditation Financial Profile and Indicators
- Grease Disposal Inspections Report
- Student Assistance Fund (formerly the Special Assistance Fund and Student-Athlete Opportunity Fund) Report
- 2020-21 Legislative Budget Request (LBR) Instructions for Operations Report
- Federal Tax and FICA Tax Remittance Report
- 4TH Q: Shared Initiatives University Savings Report
- NCAA Report of Uses for Revenue Distributions Report
- 2020 Schedule of Expenditures of Federal Awards (SEFA) Submission
- State University System Year-End Financial Reporting – Universities and Component Units
- Fall Johnson Enrollment Verification
- Florida Equity Report
- Statement of Financial Interests
- Annual Benefits Open Enrollment
- Constitution Day Program Requirement
- Affirmative Action Plan (AAP)
- OFCCP FCCM Requirements for VEVRAA & Section 503 of the Rehabilitation Act
- Federal Contractor Veterans Employment Report (VETS-100)
- Student & Employee Drug-Free Campus/Workplace Drug and Alcohol Abuse Prevention Annual Notification
- Report of J-1 Visitors
- Outside Activity/Conflict of Interest Reporting (Staff & Faculty)
- Higher Education Act: Federal Supplemental Educational Opportunity Grant Program
- Higher Education Act: Perkins Loans
- Institutional Animal Care and Use Report
- Social Security Number Verification Report
- Controlled Substances Act Annual Report
- NCAA Membership Financial Report
- Quarterly Financial Status Reports [Office of Management and Budget (OMB) Circular A-110 Report]
- University President Agreed-Upon Procedures Report
- NCAA IPP Health and Safety Survey
- Office of Federal Affairs Federal Lobbying Disclosure Reports
- Section 117 - Foreign Source Reporting
- Animal Welfare Act Report (by Licensees)
- Florida Commission on Ethics Financial Disclosure

- Fringe Benefits Reporting (Form 941)
- Internal Revenue Code (IRC) – 403(b) Universal Availability Notice
- Program Participation Agreements and IPEDS
- Reporting of Payments of Royalties
- Student Loan Interest Reporting (Form 1098-E)
- Tuition Payment Credit Reporting Requirements (Form 1098-T)
- Office of Federal Affairs Federal Lobbying Disclosure Reports
- Tuition Payment Credit Reporting Requirements (Form 1098-T)
- W-2, W-3, and 1098-T (IRS Forms)
- Independent Contractors Form 1099-MICS
- NCAA Membership Financial Report
- Animal Welfare Act Report (by Licensees)
- Section 117 - Foreign Source Reporting
- Fringe Benefits Reporting (Form 941)
- Controlled Substances Act Annual Report
- Quarterly Financial Status Reports [Office of Management and Budget (OMB) Circular A-110 Report]
- Florida Commission on Ethics Financial Disclosure
- Student Loan Interest Reporting (Form 1098-E)
- Program Participation Agreements and IPEDS
- Reporting of Payments of Royalties
- Internal Revenue Code (IRC) – 403(b) Universal Availability Notice
- Spring Johnson Enrollment Verification
- 2nd Q: Shared Initiatives University Savings Report
- Effective Period of Withholding Exemption Certificate
- NCAA FBS Attendance Report
- AUXILIARY FACILITIES Income/Expenditure Statement
- Return of Information as to Payments to Employees
- National Science Foundation (NSF) Universal Resource Locator (URL) Reporting
- Emergency Planning and Community Right to Know Act (EPCRA) Notification
- Report of Miscellaneous Income (Form 1099)
- Continuing Disclosure Obligation - Securities and Exchange Commission
- Affirmative Action Plan (AAP)
- Annual IPEDS Finance, Fall Enrollment and Graduation Rates Report
- NCAA Legislative Review Institution Vote

- Social Security Number Verification Report
- NCAA Annual Certification/Test to Recruit Off-Campus
- NCAA Division I Concussion Safety Protocol
- 2021 Accountability Plan
- Internal Revenue Code (IRC) Unrelated Business Income Tax (UBIT) Report (Form 990T / Form 8868)
- 3rd Q: Shared Initiatives University Savings Report
- NCAA Boar
- Outlay Appropriations - Proposed CITF Projects
- NCAA Federal Graduation Rates
- Institutional Animal Care and Use Report
- Helios First Generation - Annual Report
- FIU Board of Trustees (BOT) Approval of Preliminary Operating Budget
- Johnson Scholarship: 2020-21 Applicants

ENFORCE AND PROMOTE STANDARDS THROUGH APPROPRIATE INCENTIVES AND DISCIPLINARY MEASURES

Align Completion of Compliance Tasks with the Performance Excellence Process (PEP)

- ➢ Worked with Human Resources to ensure consequences for employees who fail to complete required compliance tasks following an Escalation Protocol.
- ➢ Involved Human Resources Liaisons in the Escalation Protocol to communicate consequences of failure to complete required compliance tasks.
- ➢ Worked to build and implement a system to inform supervisors of employees who have not completed compliance tasks for inclusion in the Performance Excellence Process (PEP).

Compliance Liaison, Policy Committee and Executive Scorecards

- ➢ Enhanced Scorecard system to serve as an incentive for completing compliance tasks and contributing to a culture of compliance and as a method for communicating non-compliance through the reporting chain for discipline, if appropriate.
- ➢ Added all required compliance tasks to the Executive Scorecard to be presented to both DAC and OPS during the monthly meetings and forwarded to the University President.
- ➢ Added detail to the Policy Workgroup scorecard illustrating participation in the three-year policy review process to be forwarded to each member's supervisor.

Administer, Support and Promote the Florida International University Ethical Panther Hotline

➤ Continued administration of the FIU Ethical Panther Hotline to include review and tracking of all open reports, including 28 new reports (during the review period), data compilation, trend review, and reporting.

➤ Coordinated the triage of reports by the Hotline Reports Review Committee ("Committee"), consisting of the CCO, 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.

Ethical Panther Hotline

Visit https://fiu.i-sight.com/portal
or by calling 1-888-520-0570

i-Sight

Please note: This is not a 911 service. If you are concerned about an immediate threat to property, or need to report a criminal activity in progress, please contact FIU Police at 305-348-5911(MMC) or 305-919-5911(BBC) or dial 911.

➤ Updated hotline FAQ, including those related to the Florida whistleblower law. Included whistleblower language in draft BOT fraud regulation.

➤ Responded to each identified reporter to confirm that the report had been 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.

➤ Developed form to facilitate the investigation and documentation of resolution by external units who do not have access to the case management system for Ethical Panther Hotline report submissions.

New and Integrated FIU Ethical Panther Hotline and Case Management System

- ➢ Partnered with Employee and Labor Relations (ELR) and the Office of Civil Rights Compliance and Accessibility (OCRCA) to complete wireframing and test new hotline and case management system, including developing supporting documents, hotline scripts, and webforms.
- ➢ Worked with ELR, OCRCA and platform vendor to implement system improvements identified as part of the hotline testing process.
- ➢ Integrated Hotline and Case Management system to align with FIU's community standards and to enable more sophisticated, in-depth reporting, the alignment of case types across several areas, and the ability to better track and respond to trends in reporting and misconduct.
- ➢ Developed communication materials and engaged in University-wide communications campaign announcing the move to a new Ethical Panther Hotline platform and encouraging University Community members to report any suspected misconduct or unethical behavior online or by phone using our new hotline platform.
- ➢ Met with Human Resource Liaisons to educate them regarding the new platform so that they may assist those in their units with reporting.
- ➢ Dedicated substantial space in the Inaugural Compliance Newsletter to announce the new platform, encourage reporting and answer questions.
- ➢ Launched new platform.

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.
- ➢ Supported FIU College of Business by presenting Ethical Decision-Making Training presentation for leadership to fulfill audit recommendation.
- ➢ Met with FERPA Committee to investigate and recommend corrective action (if appropriate) for all reported FERPA violations.
- ➢ Worked with Associate Athletic Director of University Compliance to ensure compliance with all NCAA regulatory obligations.

RISK ASSESSMENT
Educate Risk Owners Regarding Risk Management Principles
➢ 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.   ➢ Continued to meet with Internal Audit to discuss development and management of the Panther Enterprise Risk Management Platform.   ➢ Continued to review and address emerging risks in partnership with the OGC and other key stakeholders as they occur through new legislative requirements and institutional initiatives and obligations.

Benchmarking Activities

Various compliance-enforcing agencies expect organizations to have "adequate" compliance programs. A common method used to determine whether a compliance program is adequate is to compare the organization's program with the compliance efforts of other organizations of similar type, size, and structure. Notwithstanding, it is understood that effective compliance programs address the organization's particular risk structure.

During the 2020-2021 Plan Year, the Compliance team began the process of performing process self-assessments, drafting Internal Operating Procedures, and gathering the documents and data necessary to complete a five-year full compliance program review as required by the Florida Board of Governors Regulation 4.003. That comprehensive review is scheduled for completion in the first half of the 2021-2022 Plan Year through a third-party vendor, Ethisphere. The FIU Compliance program anticipates comparing itself to comprehensive, up-to-date industry benchmarking data as a result of this review to gain insights into the effectiveness of the compliance program, learn how it compares to leading practices, and to chart a path to continuous improvement. The Program Review will enable us to 1) identify how our program aligns with the hallmarks of an effective compliance program outlined by the Federal Sentencing Guidelines, and international regulations; 2) benchmark our program using data from the World's Most Ethical Companies and; 3) determine where our program is in line with leading practices–and where gaps may exist.

This full program review process will provide us with a practical and actionable roadmap included in the final report to help prioritize program initiatives, intelligently allocate current resources, and plan for future investment of resources.

Ethical Panther Hotline Oversight and Reporting Trends

As public employees of the State of Florida, we seek to provide assurance to our University community members and the State of Florida at large, that our conduct is in accordance with high ethical standards and compliance with applicable laws, regulations, and policies. An effective reporting system can be our most useful tool in reducing losses due to fraud and abuse. The Ethical Panther Hotline at Florida International University is an option for making a confidential report to identify or raise any compliance or misconduct concerns by using either an internet based webform or a telephone option.

- The Office of University Compliance & Integrity provided administration and oversight of the Ethical Panther Hotline to include review and tracking of all reports submitted.
- Reviewed and tracked 52 total reports through the Ethical Panther Hotline alleging some type of concern of misconduct (received twenty-eight (28) new reports during 2020-21 fiscal year).
- Upon receipt of each report, the Office of University Compliance & Integrity responded to the reporter to confirm that the report had been received, was being reviewed, and to point the reporter to additional support and resources that may be relevant given the specific nature of the report where the reporter's identity and contact information was received.
- The Office of University Compliance & Integrity coordinated the triage of reports by the Hotline Reports Review Committee ("Committee") consisting of the Chief Compliance Officer, the Vice President for Human Resources, and the Chief Audit Executive. The Committee reviewed all reports to determine the University's immediate and initial response and also to determine what other University personnel, if any, must be involved in the investigation and the ultimate resolution of each report. Relevant information was only shared with other University personnel if it was necessary to investigate or resolve a matter. When appropriate, reports were referred to a compliance partner or University Internal Audit for review or investigation.
- The Committee is committed to safeguarding the confidentiality of individuals who submit reports whenever possible and, when applicable, to assigning Whistleblower status and protections to those reporters who may meet that legal definition (via the Chief Audit Executive).
- Of the 28 new reports received during 2020-21 fiscal year, 4 reporters chose to use the call center, 22 reporters used the web form, and 2 reports were filed "by proxy" (reported via an alternate means and entered by a Compliance professional). Eighteen (18) of the reporters chose to remain anonymous to FIU and 10 fully disclosed their name and/or contact information. Thirteen (13) of these cases were investigated and closed and 15 remain in review.
- The Office of University Compliance & Integrity continued to provide recommendations for corrective actions and improvements of ethical conduct to the appropriate authorities following investigations or requests for guidance.
- The Office of University Compliance & Integrity continued to promote the Ethical Panther Hotline on the Office of University Compliance & Integrity website; in key FIU University policies, on the websites of key compliance partners

(including the "OneStop" web site for admissions, registration, and financial services for students); in various communications from the Office of University Compliance & Integrity and in New Employee Orientation.