The Audit and Compliance Committee: An Overview

Derry Harper, Inspector General and Director of Compliance
March 27, 2013

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### State University System of Florida Board of Governors
### Audit and Compliance Committee Dashboard
### July 1, 2012 – June 30, 2013

**Board Lead:** Alan Levine  
**Additional Board Members:** Matt Carter, Tom Kuntz, Ned Lautenbach, Ed Morton (VC), Elizabeth Webster  
**Lead Staff:** Derry Harper/Lori Clark  
Office of the Inspector General and Director of Compliance (OIGC)

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<tr>
<th>Goals and Deliverables</th>
<th>Lead</th>
<th>Planned Completion Date</th>
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<tr>
<td>I. Annual Review of Audit and Compliance Committee Work Plan</td>
<td>Levine</td>
<td>6/18/13</td>
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<tr>
<td>II. Develop and Approve SUS Compliance Program</td>
<td>Morton</td>
<td>TBD</td>
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<td>III. Approve Office of the Inspector General and Director of Compliance (OIGC) Policies and Procedures</td>
<td>Lautenbach/Kuntz</td>
<td>6/18/13</td>
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<td>V. Adopt Procedures for Monitoring University Audit and Compliance Activities</td>
<td>Webster</td>
<td>TBD</td>
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<td>VI. Approve Board Office Internal Audit Work Plan</td>
<td>Morton</td>
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<td>VII. Accept OIGC Annual Report</td>
<td>Levine/Carter</td>
<td>3/27/13</td>
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<td>VIII. Annual Review of AACC and OIGC Charters</td>
<td>Levine</td>
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Governing Authorities

- Florida Constitution, Article IX, Section 7
- *Audit and Compliance Committee Charter*

- *Office of the Inspector General and Director of Compliance Charter*

- Section 20.055, Florida Statutes, Agency Inspectors General

- Section 20.155, Florida Statutes, Board Office of Inspector General

- Board of Governors Operating Procedures

- Board of Governors Regulation 1.001, University Board of Trustees Powers and Duties
The Charters

The *Audit and Compliance Committee Charter* and the *Office of the Inspector General and Director of Compliance Charter*

- Approved by the Board March 26, 2009 and June 18, 2009 (respectively);

- Articulate the powers and duties of the Board’s Audit Committee as well as the Inspector General; and

- Posted to the OIG webpage at [http://www.flbog.edu/about/cod/igoffice.php](http://www.flbog.edu/about/cod/igoffice.php)
Audit Committee Responsibilities – Board Office

- Oversight of activities related to internal audit, financial controls, compliance and ethics;
- Review of significant accounting and reporting issues and confirmation of appropriate management responses;
- Review of risk assessment methodologies and risk management policies;
- Assessment of the effectiveness of the internal control system;
- Review and confirmation of appropriate management response to reports of significant audit-or compliance-related findings and recommendations.
Audit Committee Responsibilities – State University System

• Act as a liaison with the Audit Committees of university boards of trustees;

• Receive and review university audit reports;

• Identify trends in such reports and confirm adverse trends are addressed by universities;

• The Board of Governors, through the Audit Committee, has the authority to direct the IG to conduct an investigation if there is reasonable cause to believe a university board of trustees is unable or unwilling to do so.
Audit Committee Responsibilities – State University System

- Initiate inquiries if it has reasonable cause to believe a university is not responding appropriately to significant audit findings; and

- Work collaboratively with universities to develop resources to support sound audit and financial compliance practices.
OIGC Responsibilities

The Inspector General has a dual reporting relationship:

- To the Board through its Audit Committee; and

- To the Chancellor of the State University System for administrative matters.
As mandated by s. 20.055, F.S., the Inspector General:

- Reviews and evaluates internal controls to ensure fiscal accountability of the SUS. Final audit reports are submitted to the Chancellor, Board of Governors, and Auditor General.

- Develops long-term and annual audit plans.

- Initiates, conducts, supervises, and coordinates investigations to detect and prevent fraud, waste, mismanagement, misconduct, and other such abuses in state government.

- Submits a final annual report of activities by September 30th of each year.
The Office of Inspector General

- **Vision:** Enhance Public Trust;

- **Mission:** To provide leadership in the promotion of accountability and integrity in the State University System

- **Motto:** “We are about making a difference.”