

**MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
AUDIT AND COMPLIANCE COMMITTEE MEETING
FLORIDA STATE UNIVERSITY
TALLAHASSEE, FL
January 29, 2020**

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and its Committees are accessible at <http://www.flbog.edu/>.*

Chair Charles Lydecker convened the meeting of the Audit and Compliance Committee on January 29, 2020, at 3:02 p.m., in the Turnbull Conference Center on the campus of the Florida State University in Tallahassee, Florida. The following Audit and Compliance Committee members were present: Charles H. Lydecker, Kent Stermon, Patricia Frost, H. Wayne Huizenga, Jr., and Alan Levine. The following members of the Board were also present: Tim Cerio, Shawn Felton, Zenani D. Johnson, Sydney Kitson, Brian Lamb, Steven Scott, Eric Silagy, and Norman D. Tripp.

1. Call to Order

Mr. Lydecker called the meeting to order.

2. Approval of Minutes

Mr. Levine motioned that the Committee approve the minutes of the Audit and Compliance Committee meeting held October 30, 2019, as presented. Ms. Frost seconded the motion. The minutes were approved.

3. SUS Compliance Summary

Ms. Leftheris presented a summary of the State University System compliance programs. The presentation highlighted Board of Governors regulation 4.003 State University System Compliance and Ethics Programs intent and requirements. Additionally, the presentation discussed the duties and responsibilities of a Chief Compliance Officer, the implementation of mechanisms to report complaints at a university, and documents that university compliance offices are required to submit to the Board of Governors. Ms. Leftheris discussed the State University Compliance and Ethics Consortium and its purpose.

Mr. Tripp expressed concerns relating the Board of Governor's (Board) ability to take action when universities do not comply with Board Regulations or State law. Mr. Levine noted that Regulation 4.004, Board of Governors Oversight Enforcement Authority, allows the Board to withhold funding in instances of non-compliance. Mr. Criser further explained that if a university board of trustees is unwilling or unable to comply with any law, Board of Governors regulation, or audit recommendation within the specified timeframe, then the Board can take these actions. Mr. Cerio brought up the previously

discussed topic of the Board potentially getting subpoena power. Mr. Criser noted this is an ongoing conversation.

4. SUS Three-peat Findings Summary

Ms. Leftheris described the three-peat findings process for Auditor General findings and noted the universities that currently or previously had three-peat findings. Specifically, she described how and when a three-peat finding occurs and the escalation process in response to a three-peat finding, which requires notifying the Joint Legislative Auditing Committee.

Three universities were identified as having a three-peat finding during the 2018-2019 fiscal year: Florida Agricultural and Mechanical University, Florida Atlantic University, and the University of Central Florida. One university was identified as having a three-peat finding thus far in the 2019-2020 fiscal year: the University of South Florida. Two universities, the University of North Florida and the University of South Florida, were identified as having three-peat findings during the 2017-2018 fiscal year and were directed by the Joint Legislative Auditing Committee to provide written statements explaining why full corrective action had not been taken. Both universities responded that corrective actions have been taken, and Ms. Leftheris reported that we are not aware of any further escalation of these issues.

5. Florida Agricultural and Mechanical University – Athletics Program Mid-Year Financial Update

The university's Board of Trustees' chair, Mr. Kelvin Lawson, introduced Dr. Alan Robertson, CFO and Vice President of Finance and Administration; Mr. Courtney O'Shea, Athletic Director; and Mr. Joe Maleszewski, Vice President of Audit. Dr. Robertson provided a mid-year financial update relating to Florida Agricultural and Mechanical University's (FAMU) Intercollegiate Athletics program. He explained that currently the budget is balanced and projects a profit for Fiscal Year 2019-2020. Multiple committee members expressed gratitude to the university regarding their progress in addressing the athletics program's budget.

6. OIGC Updates

Ms. Leftheris reported to the committee that the joint engagement by the Board of Governors and the University of West Florida into the University of West Florida's use of funds for the Complete Florida Plus Program is ongoing, and that the review is expected to be completed in time for the March Committee meeting. She said a representative from the firm Saltmarsh, Cleveland, and Gund will report the results of the review at the March 2020 Audit and Compliance Committee meeting.

Ms. Leftheris noted that the deadline for Data Integrity Certifications and Audits was upcoming and a summary of those audits will be reported on in the March committee meeting.

Ms. Leftheris noted that her office's investigations function appears to have passed the Commission on Law Enforcement Accreditation's assessment. She said the award determination ceremony will be later in February and that she will report back the final results of the determination at the March committee meeting.

7. Concluding Remarks and Adjournment

Mr. Lydecker asked Board members if anyone had any questions or comments. Hearing none, the Audit and Compliance Committee was adjourned at 3:51 p.m.

Charles Lydecker, Chair

Lori Clark, Compliance and Audit Specialist