

OVERVIEW OF UNIVERSITY AUDIT & COMPLIANCE (UAC)

AUTHORITY, PURPOSE, AND MISSION

The Internal Audit Charter and the Compliance and Ethics Charter outline the authority, purpose, and mission for Florida Poly UAC as follows:

- Authority: UAC has the authority to audit or investigate all areas of the University, including its direct support organizations, auxiliary facilities and services, faculty practice plan corporations, and other component units. Audits, reviews, and investigations shall not be restricted or limited by management, the President, or the Board of Trustees. UAC has unrestricted and timely access to records, data, personnel, and physical property relevant to performing audits, reviews, investigations, and consulting services.
- Purpose: UAC shall provide internal audits and reviews, management consulting and advisory services, investigations of fraud and abuse, follow-up of audit recommendations, evaluation of the processes of risk management and governance, and coordination with external auditors.
- Mission: The mission of UAC is to serve the University by recommending actions to assist them in achieving its strategic and operational objectives and to support and promote a culture of ethics, compliance, risk mitigation, and accountability. This assistance includes providing recommendations to management of activities designed and implemented by management to strengthen internal controls, reduce risk to and waste of resources, and improve operations to enhance the performance and reputation of the University.

REPORTING STRUCTURE & INDEPENDENCE

To provide for the independence of UAC, the Chief Audit Executive and Chief Compliance Officer reports functionally to the Audit and Compliance Committee of the Board of Trustees and administratively to the President. This reporting structure promotes independence and permits UAC to perform their related responsibilities and activities free from influence.

COMPLIANCE & ETHICS PROGRAM

Florida Polytechnic University is committed to the highest standards of ethical behavior. As an institution of higher education, the University seeks to advance its mission and core values with integrity and a strong commitment to complying with its legal, regulatory and ethical responsibilities. Therefore, the University has established a Compliance and Ethics Program (Program) in order to provide a framework for the organization and oversight of its compliance activities. The mission of the Program is to support and promote a culture of ethics, compliance, risk mitigation, and accountability.

- The Compliance Charter outlines the following elements which define the duties and responsibilities of University Compliance:
 - Oversight of compliance and ethics and related activities
 - Development of effective lines of communication
 - Providing effective training and education
 - Revising and developing ethics policies and procedures
 - Performing internal monitoring, investigations, and compliance reviews
 - Responding promptly to detected problems and undertaking corrective action

- Enforcing and promoting standards through appropriate incentives and disciplinary guidelines
- Measuring compliance program effectiveness
- Oversight and coordination of external inquiries into compliance with Federal and State laws and taking appropriate steps to ensure Safe Harbor

As prescribed by the Charter, University Compliance provides guidance on compliance, ethics, and related matters to the university community. The office collaborates with compliance partners and senior leadership to review and resolve compliance and ethics issues and coordinate compliance and ethics activities, accomplish objectives, and facilitate the resolution of problems.

ANNUAL RISK ASSESSMENTS

As required by the Internal Audit Charter, pursuant to Florida Board of Governors (BOG) Regulations¹ and Internal Auditing Standards², audits are to be scheduled and performed according to a risk-based annual plan which shall be submitted to the President, the Audit and Compliance Committee, and the Board of Governors. A risk assessment is an on-going systematic exercise performed to identify concerns and potential areas of risk that may be benefit from audit assurance and is used to appropriately allocate audit resources. The annual risk assessment is presented to and approved by the Board each year.

SUMMARY

In summary, the Board is charged with a tremendous responsibility for governance and oversight of the University. UAC has been established with clear reporting lines that tie directly to the Board in order to assist the Board with oversight responsibility, as needed. Please feel free to stop by my office or contact me at any time should you need assistance from UAC.

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¹ Florida Board of Governors Regulation 4.002(6)(d)

² *International Standards for the Professional Practice of Internal Auditing*