

**FLORIDA GULF COAST UNIVERSITY
BOARD OF TRUSTEES
THIRD AMENDMENT AND RESTATEMENT OF THE
OFFICE OF INTERNAL AUDIT CHARTER**

I. INTRODUCTION

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the University's operations. It assists Florida Gulf Coast University (FGCU) in accomplishing its objectives by bringing a systematic, disciplined approach to examine and evaluate the effectiveness of risk management, internal controls, and governance processes.

II. ORGANIZATIONAL INDEPENDENCE OBJECTIVITY, AND AUTHORITY

- A. To ensure organizational independence and as required by Board of Governors Regulation 4.002, the Director of Internal Audit shall report functionally to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees and administratively to the President.
- B. Report routinely to the FGCU Board of Trustees through its Chair of the Audit and Compliance Committee on matters including significant risk exposures, control issues, fraud risks, governance issues, and other matters requested by the President and the FGCU Board of Trustees.
- C. Conduct and report on audits, investigations, and other inquiries free of actual or perceived impairment to the independence of the Director of Internal Audit'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.
- E. Notify the Chair of the FGCU Board of Trustees' Audit and Compliance 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.

III. DUTIES AND RESPONSIBILITIES

- A. Provide direction for, supervise, and coordinate audits and investigations which promote economy, efficiency, and effectiveness in the administration of University programs and operations, but not limited to, auxiliary facilities and services and direct support organizations.
- 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 and direct support organizations.
- 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 the FGCU Board of Trustees through its Chair of the Audit and Compliance Committee informed concerning significant and credible allegations and known occurrences of waste, fraud, mismanagement, abuses, and deficiencies relating to University programs and operations.
- 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 and direct support organizations.
- G. Communicate to the President and the FGCU Board of Trustees through the Audit and Compliance Committee, 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 Internal Audit in accordance with professional auditing standards. The 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 FGCU Board of Trustees.
- 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 FGCU Board of Trustees when contracting for specific instances of audit or investigative assistance.

IV. REPORTING RESPONSIBILITIES

- 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.
- B. At the conclusion of each audit engagement, the Director of Internal Audit shall prepare a report to communicate the audit results and action plans to the FGCU Board of Trustees and University management.

- C. The Director of Internal Audit 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 FGCU Board of Trustees, as appropriate, has accepted the risk of not taking corrective action.
- D. The Director of Internal Audit shall develop audit plans based on the results of periodic risk assessments. The audit plans shall be submitted to the FGCU Board of Trustees for approval.
- E. The Director of Internal Audit shall initiate, conduct, supervise, or coordinate investigations that fall within the purview of the Office of Internal Audit and be designated by the FGCU 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 and to the FGCU Board of Trustees.
- F. By September 30th of each year, the Director of Internal Audit shall prepare a report summarizing the activities of the office for the preceding fiscal year. The report shall be provided to the President, the FGCU Board of Trustees, and the Board of Governors.
- G. The Director of Internal Audit shall meet regularly and in no event less than four times a year either in person or telephonically with the Chair of the Audit and Compliance Committee to review significant matters coming under the purview of the Office of Internal Audit. Other senior members of the administration are welcome to attend any such sessions. The Director of Internal Audit shall also promptly inform the Chair of the Audit and Compliance Committee of any serious matters under the purview of the Office of Internal Audit arising between meetings.

History of Charter:

New 03/14/08; Amended 09/08/15; Amended 06/13/17; Amended 01/14/20