**AC: A-M. Roll Call and Approval**

Mr. Shaun Davis, Chair of the Board of Trustees Audit and Compliance Committee, convened the meeting. Roll call commenced with the following committee members, in addition to Mr. Davis, participating: Mr. Thomas Workman, Vice Chair; Mr. Anthony Barber (ex-officio), Mr. Daniel Cane (ex-officio), and Ms. Mary Beth McDonald.

Other Trustees attending the meeting included: Dr. Michael Dennis, Dr. Malcolm Dorman, Mr. Robert Rubin, Ms. Emily Lawless, and Dr. Kevin Wagner

**AC: A-1. Request for Approval of the Audit and Compliance Charter**

Ms. Morgan Kim presented the Audit and Compliance charter. The charter acts as a blueprint to guide the committee in achieving its goals and fulfilling its oversight responsibilities to the board of trustees, management and all stakeholders. The proposed charter provides the following: explains the primary purpose and the responsibility of the Audit and Compliance Committee (e.g. Oversee the integrity of the university’s financial accounting and reporting process, maintain an effective system of internal controls, govern the compliance and ethics program, promote compliance with laws and regulations, and monitor and control risk); Explains the duties and responsibilities of the Chief Audit Executive/Inspector General and the internal Audit function; and explains the duties and responsibilities of the Chief Compliance Officer and the Compliance and Ethics function.

**A motion was made and seconded to approve the Request for Approval of the Audit and Compliance Charter. With no further discussion, the motion passed unanimously.**

**AC A-2. Request for the Approval of the 2017-18 Office of the Inspector General Work Plan**

Mr. Morley Barnett’s presented the annual work plan for 2017-18 for the Office of the Inspector General. Chair Davis asked if the areas shown were the ones that Mr. Barnett would be looking into with others to be added as they come along. Mr. Barnett responded yes.

**A motion was made and seconded to approve the Inspector General Work Plan. With no further discussion, the motion passed unanimously.**

**AC I-1. Review Summary of Follow-Up on Audit Recommendations Scheduled to be implemented during the Period of July 1 Through September 30, 2016**

Mr. Barnett stated that seventeen out of the nineteen recommendations were implemented

**AC I-2. Review of Audits**

**a. FAU 16/17-2, Audit of the Central Cashiers Office for the period July1 through September 30, 2016**

Mr. Barnett stated that the audit of the Central Cashiers Office was a good one. The recommendations were straight forward, and will be implemented in the follow-up. Chair Davis asked if all the audits were sent out to the board upon completion. Mr. Barnett responded correct.

**b. FAU 16/17-3, Audit of the FAU Pharmacy for the Period July1 through October 31, 2016**.

Mr. Barnett stated that based on the first time audited pharmacy operations, there needs to be improvement on the level of details that document there periodic inventories and witnessing and dispensing controlled substances. Mr. Barnett stated that he looks forward to a good follow-up. Dr. Dennis stated that the information provided for the pharmacy has been disappointing. Dr King approached the podium to respond to Dr. Denis’s statement. Dr. King agreed and added that he thinks the primary issue is that the head pharmacist is also the manager. Dr. King stated that he and Dr. Kelly have been in talks to outsource the Pharmacy and bring on an entity that may run it better.

**AC; I-3. Review of the Quality Assessment Report for the Office of Inspector General for the Five-Year Period Ended June 30, 2016**

In accordance with standards of the Institute of Internal Auditors (IIA), a quality assessment review of the university’s internal audit function was completed in March 2017 by Ms. Marion Candrea, Manager of Audit and Advisory Services - Rutgers University. Quality assessment reviews are required at least every five years to determine the level of compliance with IIA standards, and covers governance and operational issues of interest to the Audit and Compliance Committee and senior management. As a result of the review, it was determined that the Office of Inspector General (OIG) generally conformed to IIA standards. The external reviewer’s two main observations focused on opportunities to strengthen OIG operations through increased communications with the Audit and Compliance Committee chair and expanding the scope of our work plans.

Mr. Barnett stated the recommendations will be met during the follow-up. Mr. Barnett also brought up the Cashiers office as an example to show that at the bottom of the audit, it says that “the Inspector General generally conformed in all material respects to the IIA standards and the IIA Code of Ethics during the period under review”, to show that his office puts great value in those standards. Chair Davis stated that we are doing a good job. He asked for a comparison of other universities similar in size to us and see how we match as far as budget.

**With no further questions or comments put forth, a motion was made and seconded to adjourn the meeting. With no further discussion, the motion passed unanimously.**