

Office of Inspector General  
and Director of Compliance

Annual Report  
2013-2014



STATE  
UNIVERSITY  
SYSTEM  
*of* FLORIDA

Board of Governors



STATE  
UNIVERSITY  
SYSTEM  
of FLORIDA  
Board of Governors

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September 25, 2014

Morteza "Mori" Hosseini, Chair  
Marshall Criser III, Chancellor  
State University System of Florida  
Board of Governors  
325 West Gaines Street, Suite 1614  
Tallahassee, Florida 32399-0400

Dear Chair Hosseini and Chancellor Criser:

I am pleased to submit our Annual Report on the activities of the Office of Inspector General and Director of Compliance (OIGC). Section 20.055(7), Florida Statutes, requires the OIGC submit an annual report outlining the work and activities performed to fulfill our mission to promote accountability, integrity and efficiency in the State University System of Florida. This report covers the 12-month period from July 1, 2013, through June 30, 2014.

This work would not have been possible without the dedication and support of the Board of Governors, the Audit and Compliance Committee and board staff. I am especially grateful for the hard work and dedication of Compliance Analyst, Lori Clark.

I deeply appreciate your support and leadership and look forward to our continued work with the Board of Governors, Board Office staff and universities across the State University System of Florida.

Sincerely,

Joseph K. Maleszewski  
Inspector General and Director of Compliance

JM/lc

Chair Hosseini and Chancellor Criser  
September 25, 2014  
Page 2 of 2

Attached:     *Office of the Inspector General And*  
                  *Director of Compliance Annual Report 2013-2014*

Cc:     Governor Thomas G. Kuntz, Vice Chair  
          Governor Alan Levine, Chair, Audit and Compliance Committee  
          Governor Edward A. Morton, Vice Chair, Audit and Compliance Committee  
          Members of the Board of Governors  
          Florida Auditor General

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## Introduction

In compliance with Florida's Inspector General Act, Section 20.055, Florida Statutes, the Office of Inspector General and Director of Compliance (OIGC) has prepared this Annual Report to summarize the office's activities for the Fiscal Year 2013-2014. This report will be submitted to the Chancellor of the State University System of Florida (System) Board of Governors, members of the Board of Governors (Board), and the Auditor General of Florida.



## Authority, Standards, and Functions

### Authority

As authorized by Article IX, Section 7 of the Florida Constitution and Section 20.155(5), Florida Statutes, the Board established the OIGC in July 2007 to promote accountability, integrity and efficiency by providing quality audits, investigations, management reviews and technical assistance. Subsequently, the Board adopted the *Audit and Compliance Committee Charter* and the *Office of the Inspector General and Director of Compliance Charter* (Charters). The OIGC charter identifies the authority under which the OIGC operates, and specifies its mission, organization, standards of work, code of ethics, access, independence and objectivity as well as the OIGC responsibilities for the Board Office and the System.

To achieve and maintain independence and objectivity, the Inspector General reports directly to the Board, through the Chair of the Audit and Compliance Committee (Committee), and administratively to the Chancellor. The dual reporting relationship is designed to promote effective communication and coordination of OIGC activities, while ensuring that the Inspector General is not impaired in any manner from performing his mandated duties and responsibilities.

In accordance Section 20.155(5), Florida Statutes, the OIGC shall have access to all information and personnel necessary to perform its duties and responsibilities and shall have all of the powers, duties, and responsibilities authorized in Florida's Inspectors General Act [Section 20.055, Florida Statutes]. For example, as it relates to the Board Office, the Inspector General must review and evaluate internal controls to ensure fiscal accountability by conducting operational, financial, and compliance audits or reviews and develop an annual audit plan based upon a systematic risk assessment of Board Office operations. In addition, the Inspector General shall initiate and conduct investigations into fraud, waste, mismanagement, misconduct, or abuse and report results of investigative activities, including those complaints filed by a Board employee pursuant to the Florida Whistle-blower's Act [Sections 112.3187-112.31895, Florida Statutes].

If the Board, based upon the recommendation by the Committee, determines that a state university board of trustees is unwilling or unable to address credible allegations made by any person relating to waste, fraud, or financial mismanagement, the Inspector General shall conduct, coordinate, or request investigations [Section 20.155 (5), Florida Statutes].



## Standards

All work in the OIGC is conducted in accordance with the *Principles and Standards for Offices of Inspector General*, published by the Association of Inspectors General.

Audit engagements are performed in accordance with the *International Professional Practices Framework (Standards for the Professional Practice of Internal Auditing)*, published by the Institute of Internal Auditors, Inc.; or, where appropriate, the *Government Auditing Standards*, published by the United States Government Accountability Office; or the *Information Systems Auditing Standards* published by ISACA.<sup>1</sup> These standards require that auditors plan and perform the audit to obtain sufficient and appropriate evidence that provides a reasonable basis for findings and conclusions.

Investigative assignments are performed in accordance with the Quality Standards for Investigations included in the *Principles and Standards for Offices of Inspector General*, published by the Association of Inspectors General.

## Functions

In accordance with the Charters, the OIGC's three main areas of responsibility are audit, investigative and compliance.

### 1. Audit

As defined by the Institute of Internal Auditors,

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The OIGC promotes integrity, accountability and process improvement by providing objective, timely, sufficient and value-added audit services. The Inspector General conducts financial, compliance, electronic data processing, and performance audits of the Board Office and prepares

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<sup>1</sup> Previously known as the Information Systems Audit and Control Association, ISACA now goes by its acronym only, to reflect the broad range of Information Technology governance professionals it serves.



audit reports of his findings. The Inspector General determines the scope and assignment of audits; however, the Committee Chair and the Chancellor may at any time direct the Inspector General to perform an audit of a special program, function, or organizational unit.

Pursuant to Section 20.055, Florida Statutes, the internal audit activity of the OIGC includes the development of audit plans; conducting audits; following-up of audits and the implementation of corrective actions for not only internal audits, but also Auditor General operational audits of the Board Office; development of a Quality Assurance and Improvement Program; and assisting in consulting engagements for initiatives, rules, and regulations.

## **2. Investigative**

The goal of the OIGC's investigative responsibilities is to deter, detect and investigate internal and external fraud, waste, mismanagement, misconduct and other abuses in the Board Office.

As provided in its charter, the Committee can direct the Inspector General to conduct an inquiry or investigation if it has reasonable cause to believe a university board of trustees is unwilling or unable to provide for objective investigation of credible allegations of fraud or other substantial financial impropriety. In those instances where the Inspector General determines that no further action is warranted, the Board has delegated authority to the Committee Chair to make a final determination regarding a complaint.

## **3. Compliance**

In the area of Compliance, the OIGC is responsible for promoting and supporting a culture of compliance, risk mitigation, and accountability. The office assists in the prevention and detection of conduct that is contrary to applicable laws, regulations, policies or procedures; and to promote a culture that encourages a commitment to compliance.

The Inspector General represents the Board Office on the State University System of Florida Compliance and Ethics Consortium, which is composed of compliance directors and representatives from each of the System universities.

## **Support for Audit and Compliance Committee**

The OIGC provides staffing support for the Committee, which meets face-to-face or by conference call four times per year or as needed. Activities in support of the Committee during this reporting period include:





1. Holding one-on-one briefings with Board members prior to Board meetings to discuss agenda topics.
2. Preparing meeting materials and making presentations to the Committee for face-to-face meetings or conference calls.
3. Communicating by phone and email with the Committee Chair for guidance in handling concerns under the Committee's purview.
4. Assisting Committee members in staying abreast of applicable regulations and statutes.



## Audit Activities

During Fiscal Year 2013-2014, the OIGC engaged in the following internal audit-related activities:

### OIGC Risk Assessment and Work Plan

Section 20.055, Florida Statutes, specifies that the Inspector General develop long-term and annual audit plans based on the findings of periodic risk assessments and that the plan contain the individual audits to be conducted during each year and related resources to be devoted to the respective audits. By statute, the plan is submitted to the Committee, the Board, and the Chancellor for approval, and a copy of the approved plan is submitted to the Auditor General.

This fiscal year, the OIGC initiated a risk assessment that included each of the organizational units that comprise the Board Office and a review of Board regulations, the Florida Constitution, applicable statutes, financial records, internal operational manuals, handbooks, organizational charts, and various reports including prior audit reports, and other available data.

The Committee approved and the Board ratified *The Office of the Inspector General and Director of Compliance Work Plan 2014-2015* at the Board meeting held June 18-19, 2014. The plan contains two audit projects, four consulting projects, and other projects designed to enhance OIGC operations. It is included as Appendix A of this report.

### OIGC Quality Self-Assessment Review

Professional audit standards require a quality assurance and improvement program which includes both internal and external assessment. This section summarizes OIGC activities related to both internal and external assessments.

The OIGC performed an internal Quality Assessment Review in April 2014 utilizing the Quality Assessment Manual for the Internal Audit Activity (Updated 6th Edition), published by the Institute of Internal Auditors Research Foundation. This document facilitated the assessment of each professional standard, the key conformance criteria and the examples of evidence, sound practices and other considerations for evaluation.

Based on our evaluation, and similar to the findings of the Auditor General's Quality Assessment Review (Report No. 2013-188), we



concluded that the quality assurance program related to the OIGC's internal audit activity is adequately designed and complied with to provide reasonable assurance of conformance with applicable professional auditing standards.

While not material to overall conformance to professional standards, the internal audit activity can better ensure that Office staff maintain and enhance their professional proficiency and technical competence by maintaining records of appropriate continuing professional development. As a result of our evaluation, the OIGC has undertaken the following actions:

- **Professional Proficiency and Technical Competence:** OIGC staff members are in compliance with the training requirements as described in Practice Advisory 1230-1 of the International Professional Practices Framework. Additionally, they have developed Individual Training Plans consistent with the OIGC Training Procedure and Plan adopted on November 2, 2013.
- **Time-keeping System:** the OIGC implemented a time-keeping system consisting of a desk procedure and Excel spreadsheet. The purpose of the desk procedure is to document the system for tracking time for OIGC staff by fiscal year and project and to facilitate reporting.
- **Risk Assessment:** refer to the OIGC Work Plan section on page 5 of this report.
- **Policies and Procedures:** The OIGC has undertaken a project to enhance all Office procedures, benchmarked against other Offices of Inspectors General and best practices. We have also adopted a set of audit templates to facilitate consistency and compliance with OIGC policies and professional standards. Procedures cover administrative tasks, audits and investigations.
- **Charters:** At the direction of the Committee Chair, the OIGC undertook a thorough evaluation of the OIGC Charter and the Committee Charter. Both Charters have been revised and approved.
- **OIGC Position Descriptions Revisions:** The duties outlined in the Inspector General and Director of Compliance position description and the Compliance Analyst position description were revised. The updated position descriptions were approved in June 2014.



- **OIGC Staffing:** The staffing level of the OIGC was not sufficient to meet its mission. As a result we took a two-pronged approach to addressing this deficiency. First, we sought and received approval to hire an OPS Student Intern to assist with routine office tasks. An OPS Student Intern was hired in January 2014. Secondly, we requested one additional professional staff member, which was approved.
- **Cooperation with Investigations:** A review of Board Office policies revealed that there was no policy related to cooperation with investigations. As a result, language was drafted and incorporated into Board Office policies.

## OIGC Quality Assessment Review Corrective Actions

In response to the Auditor General Office's findings of the OIGC Quality Assessment Review (QAR) report (Report No. 2013-188, issued June 27, 2013), the OIGC implemented corrective actions. The Auditor General's report contained two findings and recommendations, for which the OIGC developed a six-point Corrective Action Plan (CAP). As of October 2, 2013, all corrective actions were completed. The QAR, CAP, and Six-month Follow-up Reports were disseminated to Board members and are available upon request.

## University Corrective Action Plan Follow-up

The OIGC is continuing to monitor one of the System institutions corrective actions resulting from the findings contained in various audit and investigative reports.

Collectively, these reports raised issues of operational control and governance at the university. To monitor the university's progress in addressing the findings and recommendations in each report, Board Office staff developed a high-level CAP.

In total, the Board Office's high-level CAP tracks 30 corrective actions grouped into five areas:

1. Audit and Compliance,
2. Finance,
3. Academics and Accreditation,
4. Facilities and Construction, and



5. Hazing and Student Code of Conduct.

At the end of this reporting period, the university had 28 corrective actions marked as "Completed," with two remaining in "Green" indicating good progress. The university expects to complete all items by September 2014. The OIGC conducts monthly follow-up and will continue to do so until all items have been corrected.

## Consulting Engagements

This fiscal year, the OIGC provided consulting services for four initiatives. Three involved grant allocations for universities. The fourth related to the application of the Florida Single Audit Act to select university direct support organizations. No reports were issued on these consulting engagements as the results were provided orally.

## Other OIGC Audit Activities

The Inspector General represents the Board Office on the State University Audit Council (SUAC), which is an informal group, composed of Chief Audit Executives from each of the System universities.

## Legislative Budget Request

The OIGC prepares Schedule IX of the Board Office's Legislative Budget Request. Schedule IX, Major Audit Findings and Recommendations, is designed to inform decision makers on recent major findings and recommendations found in Auditor General and OIGC audit reports. This Schedule summarizes major findings and recommendations from audit reports issued during the current and previous fiscal years.



## Investigative Activities

The goal of the OIGC's investigative responsibilities is to deter, detect and investigate internal and external fraud, waste, mismanagement, misconduct and other abuses.

The OIGC serves as the focal point for Whistle-blower allegations and State Comptroller "Get Lean" hotline reports concerning Board Office personnel and programs.

Pursuant to Section 20.055, Florida Statutes, the OIGC shall be responsible for initiating, conducting, supervising and coordinating investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in the Board Office. Specifically, the OIGC is responsible for:

- Receiving complaints and coordinating all activities of the Board Office as required by the Whistle-blower's Act, pursuant to Sections 112.3187 - 112.31895, Florida Statutes;
- Receiving and considering the complaints which do not meet criteria for an investigation under the Whistle-blower's Act and conducting, supervising, or coordinating such inquiries, investigations, or reviews as the Inspector General deems appropriate;
- Reporting expeditiously to the Florida Department of Law Enforcement or other law enforcement agencies, as appropriate, whenever the Inspector General has reasonable grounds to believe there has been a violation of criminal law; and
- Publishing reports of the final investigation when applicable.

The OIGC receives complaints from various sources alleging fraud, waste, abuse or misuse of funds at a state university. In accordance with Section 20.155, Florida Statutes, if the Board of Governors determines that a state university board of trustees is unwilling or unable to address allegations made by any person relating to waste, fraud, or financial mismanagement, the OIGC shall conduct, coordinate, or request investigations into allegations made by any person relating to waste, fraud, or financial mismanagement within a state university.



### **Preliminary Inquiries**

Upon receipt of the complaint, the Inspector General shall promptly conduct fact-finding into the allegations. The purpose of a preliminary inquiry is to determine whether, in the opinion of the Inspector General, the allegations are credible and, if so, whether they warrant further investigation by the Board of Governors. The preliminary inquiry may include:

1. Identifying and obtaining statements from all relevant and material witnesses to the extent practicable; and
2. Identifying, gathering, and preserving all other relevant and material evidence.

The Inspector General shall report the results of the preliminary inquiry to the Committee Chair and Chancellor (as appropriate), and the Inspector General is to recommend appropriate action in cases of credible allegations.

The Committee Chair shall consider the results of the preliminary inquiry along with the Inspector General's recommendation. If the Inspector General's recommendation is for no further action, the Board of Governors has delegated the authority to the Committee Chair to make a final determination regarding a Report of Preliminary Inquiry in those instances where the Inspector General recommends no further Board action is warranted. In all other situations, the Committee shall consider the matter at its next meeting.

The following section summarizes the most significant investigative activities the OIGC handled during this reporting period.

### **Matters Received**

During the past year, the OIGC handled a variety of matters submitted by current or prospective students, parents, university faculty and staff, and the general public. All matters were categorized, indexed, and assigned a case number for tracking and follow-up.

This reporting period, OIGC staff reviewed a total of 25 matters. Of these, we:

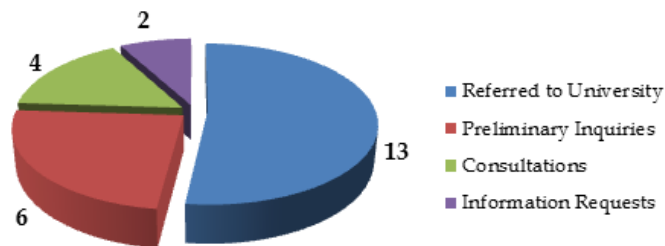
- Referred 13 matters to appropriate university for handling;
- Conducted six (6) preliminary inquiries;



- Conducted four (4) consultations; and
- Responded to two (2) information requests.

The following chart and table depict the above activity:

**Total Matters Received by OIGC  
FY 2013-14**



Category of Activity	Total
<b>Referred to University:</b> <ol style="list-style-type: none"> <li>1. Allegation of Animal Welfare Act violations (1)</li> <li>2. Various issues relate to employment practices (6)</li> <li>3. Contracts and procurement issues (3)</li> <li>4. Allegation related to post-graduate employability (1)</li> <li>5. Transcript withheld due to financial obligation (1)</li> <li>6. Environmental Health and Safety concern (1)</li> <li>7. Allegations regarding financial and legal practices (1)</li> </ol>	13
<b>Preliminary Inquiries:</b> <ol style="list-style-type: none"> <li>1. Concerns of university audit and control</li> <li>2. Allegations of discrimination, ADA &amp; FERPA violations</li> <li>3. Dispute related to final grades</li> <li>4. Allegation of Code of Ethics violation</li> <li>5. Allegation of medical negligence</li> <li>6. Allegation of Sunshine Law violation</li> </ol>	6
<b>Consultations:</b> <ol style="list-style-type: none"> <li>1. Academic programs articulation issues</li> <li>2. Grades and transcript concerns</li> <li>3. Employment contract pay issue</li> <li>4. Student tuition assessment dispute</li> </ol>	4
<b>Information Requests:</b> <ol style="list-style-type: none"> <li>1. Admissions for international student</li> <li>2. Copyrighted instructional material</li> </ol>	2
<b>TOTAL</b>	<b>25</b>





In addition, Board policy requires the Inspector General to review and approve all Pre-Employment Background Screenings of board staff. This past fiscal year, the OIGC reviewed and approved the background screenings for 11 new Board Office staff members.



## Compliance Activities

In fulfilling its compliance responsibilities for this reporting period, the OIGC performed the following functions:

### System Financial and Operational Audit Reports

As required by law, the Auditor General conducts annual financial audits for each system university, and operational audits at least every three years [Section 11.45(2)f., Florida Statutes]. The OIGC receives final reports of all Auditor General audits of the System. Any findings common across the university reports are tracked and discussed with the appropriate interested parties for follow-up or to request additional information.

In accordance with Section 1008.322, Florida Statutes, the Board of Governors shall oversee the performance of state university boards of trustees in the enforcement of laws, rules, and regulations. This includes OIGC follow-up and liaison responsibilities regarding audit follow-up for findings repeated for three years without a satisfactory corrective action plan. During the next fiscal year, the OIGC will draft a corresponding regulation to implement this statute and will report on this topic in future Audit and Compliance Committee meetings.

### System Internal Audit Reports

In September 2010, Board Regulation 1.001, University Board of Trustees Powers and Duties, was amended to require that all state universities submit to the OIGC their final internal audit reports [Board Regulation 1.001(6)(g)].

The OIGC logs and tracks quarterly the number and name of the audit reports received and audit topics covered by each university. OIGC staff monitors reports to identify any trends and confirm with a given university that it is addressing any adverse trends.

For this reporting period, the OIGC received approximately 100 internal audit reports, management reviews or agreed-upon-procedures from system institutions. Collectively, these reports had over 440 findings requiring university management attention.

### System Compliance Consortium

The Inspector General represents the Board Office on the State University System of Florida Compliance and Ethics Consortium, which is



composed of compliance directors and representatives from each of the System universities. The Consortium was established in June 2013. Their mission is to provide an avenue for System institutions to discuss the development and improvement of compliance and ethics programs, new federal and state regulations, best practices, and issues they may be facing. Additionally, the Consortium provides an opportunity for System institutions without a formal compliance and ethics program to appoint a representative to participate in these activities.



## Staff

### **Joseph K. (Joe) Maleszewski, MBA, CIG, CIA, CISA** Inspector General, State University System of Florida Board of Governors

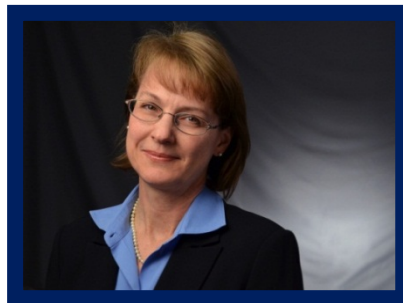


Mr. Maleszewski joined the Board of Governors' Senior Staff in September 2013. He received an MBA degree from the Florida State University School of Business and holds the following professional certifications:

- Certified Internal Auditor (CIA)
- Certified Information Systems Auditor (CISA), and
- Certified Inspector General (CIG).

Mr. Maleszewski has over 23 years of service in state government, serving primarily in Offices of Inspector General at four State agencies.<sup>2</sup> He also served as State-wide Computer Security Administrator for the Florida Department of Transportation. He previously served as Inspector General for the Department of Economic Opportunity after serving as the Department of Transportation's Director of Audit for over seven years.

### **Lori Clark, Compliance Analyst**



Ms. Clark became a member of the OIGC staff in August 2008, after serving two years as an educational policy analyst in the board's Academic and Student Affairs department. She is a graduate of Florida State University with bachelor's and master's degrees in French Language and Literature. Ms. Clark has over 20 years of experience in postsecondary education,

including teaching, student services administration, and program implementation.

In addition to receiving professional development and on-the-job training in the area of compliance, Ms. Clark continues to obtain audit and investigative training with an emphasis on the former.

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<sup>2</sup> Department of Agriculture and Consumer Services, Department of Transportation, Department of State and Department of Economic Opportunity



## Kristina Marasia, Student Intern



Ms. Marasia began working with the OIGC in January 2014. From the small town of Cooper City in Ft. Lauderdale, Florida, Ms. Marasia graduated from Cooper City High School in 2012. She is now a junior at Florida State University, pursuing a double major in Finance and Economics. Making academics a high priority, Ms. Marasia has achieved placement on Florida State's President's List each semester of her college career thus far. She is also active in her sorority, Kappa Alpha Theta, and enjoys volunteering with FSU's Dance Marathon Charity supporting the Children's Miracle Network.



## Professional Development and Associations

OIGC staff develop and maintain their professional knowledge, skills and abilities through a number of methods. The following section summarizes OIGC's professional certifications and affiliations, training accomplishments and service to the profession.

### Professional Certifications

Expertise within the OIGC covers a variety of disciplines. Employees are technically qualified in auditing, financial matters, investigations and information technology. Staff members continually seek to augment their credentials, further enhancing their abilities and contributions to the OIGC, the Board Office, and the System. The accomplishments of staff members obtaining certifications represent significant time and effort, reflecting positively on the individual as well as the Board Office.



Within the Board of Governors Office of Inspector General, Joseph Maleszewski is a Certified Inspector General, Certified Information Systems Auditor, Certified Internal Auditor, and Notary Public. Mr. Maleszewski is active in his profession serving on the board for the Tallahassee Chapter of the Institute of Internal Auditors and the Florida Chapter of the Association of Inspectors General.

In the next fiscal year, Mr. Maleszewski will pursue certifications in investigations (Certified Inspector General Investigator offered by the Association of Inspectors General) and compliance (Certified Compliance and Ethics Professional offered by the Society of Corporate Compliance and Ethics). Ms. Clark will pursue certifications in auditing such as the (Certified Inspector General Auditor offered by the Association of Inspectors General) and the Certified Government Auditing Professionals offered by the Institute of Internal Auditors.

### Professional Affiliations

OIGC staff members participate in a number of professional organizations to maintain proficiency in their areas of expertise and certification. These associations allow us to maintain currency, establish and advance professional networks and participate in professional community activities. The Inspector General serves in active leadership



roles in a number of these associations. The OIGC staff professional affiliations include:

- Association of Inspectors General (National and State Chapter)
- Institute of Internal Auditors (National and Tallahassee Chapter)
- ISACA (National and Tallahassee Chapter)
- Association of Government Accountants
- Association of Certified Fraud Examiners
- Florida Audit Forum



## Training Accomplishments

Section 20.055, Florida Statutes, requires offices of inspector general to conduct audits and investigations in accordance with professional standards. These standards have specific training requirements:

- The Association of Inspectors General specifies that each staff person who performs investigations, audits, evaluations, or reviews should receive at least 40 hours of continuing professional education every two years that directly enhances the person's professional proficiency.
- The International Standards for the Professional Practice of Internal Auditing and Government Auditing Standards require internal audit staff to maintain their professional proficiency through continuing education and training.
- The Government Auditing Standards require each auditor to receive at least 80 hours of continuing education every two years.





To ensure staff members are prepared to meet the OIGC mission, we utilize training resources from various professional organizations and associations, agencies and individuals to fulfill training needs. Training opportunities include luncheons, webinars, and conferences. Mr. Maleszewski earned 53.5 hours of training credits during this reporting period. Ms. Clark earned 76 hours.

## Service to the Profession and Professional Recognition

In addition to his leadership roles in several professional organizations and his commitment to the profession, Mr. Maleszewski led and prepared training events for some of the professional organizations to which he belongs. He received two awards during this reporting period:

- The Tallahassee Chapter of the Institute of Internal Auditors Luncheon recognized Mr. Maleszewski for his leadership in organizing and presenting at the January 23-24, 2014, "Basics of Internal Auditing" training.
- As a member of the Florida Chapter of the Association of Inspectors General team, Mr. Maleszewski received a 2014 Prudential Davis Productivity Award for the IG Community Team. In 2012, he was a Lead Training Executive Committee Member of the team that developed a comprehensive, cost effective "all hands" training for the Inspector General community, especially for new auditors, titled: "Florida Inspectors General Practical Skills for Auditors."



**Mr. Maleszewski received recognition from Florida Rivera-Alsing, Tallahassee Chapter President for the Institute of Internal Auditors, March 2014**





## Contact Information and Resources

Office of the Inspector General  
and Director of Compliance  
State University System of Florida  
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Phone: (850) 245-0466, Fax: (850) 245-9192  
BOGInspectorGeneral@flbog.edu

### Resources

OIGC Web Page, which includes links to the *Audit and Compliance Committee Charter* and *Office of the Inspector General and Director of Compliance Charter*

<http://www.flbog.edu/about/cod/igoffice.php>

Association of Colleges and Universities Auditors

[www.acua.org](http://www.acua.org)

Association of Inspectors General

<http://inspectorsgeneral.org/>

Florida Inspectors General

<http://www.floridaoig.com/>

Institute of Internal Auditors

<http://www.theiia.org/>

Board of Governors Regulations

<http://www.flbog.edu/about/regulations/>



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# **Office of the Inspector General and Director of Compliance 2014-2015 Work Plan**

**Joseph K. Maleszewski, MBA, CIG, CIA, CISA**  
**Inspector General and Director of Compliance**



## ***INTRODUCTION***

The Office of Inspector General and Director of Compliance (OIGC) was established within the Board Office to provide a central point of coordination and responsibility for activities that promote accountability, integrity and efficiency. The duties, functions, and activities of the OIGC are prescribed pursuant to Sections 20.155, and 20.055, Florida Statutes.

Our work plan for fiscal year 2014-15 is based on a risk assessment as well as prior audit and investigative coverage.

### ***OIGC WORK PLAN - FISCAL YEAR 2014-2015***

Section 20.055, Florida Statutes, specifies that the Inspector General develop long-term and annual audit plans based on the findings of periodic risk assessments and that the plan show the individual audits to be conducted during each year and related resources to be devoted to the respective audits. The plan is submitted to the Audit and Compliance Committee, the Board of Governors and the Chancellor for approval. A copy of the approved plan is submitted to the Auditor General.

To help ensure that Board Office risk exposures are understood and managed, the OIGC conducted a risk assessment survey. The risk assessment has a two-fold purpose: 1) to help identify potential risks to the operational and programmatic activities of the Board Office; and 2) to assist the OIGC in identifying audit projects and assignments for the coming fiscal year.

Forty-three (43) of 57 Board Office staff (75%) participated in a one-hour OIGC risk assessment meeting. Forty (40) of 57 Board Office staff (70%) completed the risk assessment survey.

The 20-question survey inquired about management controls; communications; staffing and resources; data systems and information; reporting; degree of change; performance measures; fraud, waste and abuse; and risks. The first 13 questions were based on the Likert scale and provided the opportunity for additional free-response information. The remaining seven questions were free-response. The survey results were compiled and analyzed both quantitatively and qualitatively.

Using assumptions regarding leave usage, professional development, indirect time, and likely vacancies, we computed the OIGC staff hours available for projects. In total the OIGC will have 4,720 hours available for projects including audit, investigative and compliance activities. We estimated that it would take 700 of these hours to complete four priority OIGC projects currently in progress.



We also set aside approximately 15% (700 hours) for special projects to meet management's and the board's needs as priorities are identified.

Based on the results of our assessment, the following areas were identified as priorities for fiscal year 2014-2015.

Annual Work Plan - FY 2014-2015	
Project Title	Estimated Hours
<b>AUDIT</b>	
Information Resource Management - Information Technology Governance	400
Board Office Telecommuting	150
<b>CONSULTING</b>	
Performance Based Funding Model - Data Integrity	300
Target Educational Attainment (TEAm) Grant Program	250
Control Self Assessment - University Audit and Audit Committee Practices	250
FAMU Corrective Action Plan Follow-up	100
<b>COMPLAINTS/PRELIMINARY INQUIRIES/INVESTIGATIONS</b>	
Complaint Intake and Triage	150
Preliminary Inquiries	150
Investigations	250
<b>OIGC PROJECTS</b>	
Risk Assessment and Audit Plan - 2015-2016	150
OIGC Annual Report - 2013-2014	150
OIGC Complaint Webpage (Hotline) Development	40
Regulation Development - Repeat Audit Finding Process (Section 1008.322, F.S.)	100
Audit Finding Tracking and Assessment	200
Data Request System for Collection of SUS External and Internal Audit Reports	150
Records Retention/ Archival Project	30
Update Audit and Investigative Procedures	100
Committee and Board Meeting Preparations	400
<i>Special Request Hours (Approximately 15%)</i>	<i>700</i>
<i>Carry Forward Hours</i>	<i>700</i>
<b>Total</b>	<b>4,720</b>



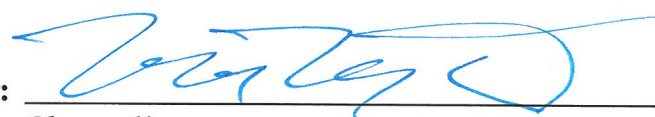


Additionally, the following audit topics have been scheduled as part of the OIGC's long-term work plan.

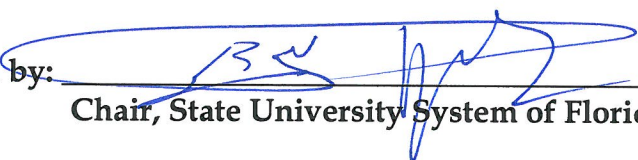
Long-Term Work Plan - FY 2014-2015	
Public Private Partnership legislation	350
Tuition Issues (Tuition Differential and Fees Programs)	350
UF Online	500
Institutes and Centers	350
Establishment of Educational Sites	350
Academic Program Review database and reporting process	350
FSU Higher Education and Healthcare Grant	300
UNF Online University Study Grant	300
University Work Plans Process	500
State University System of Florida Board of Governors Foundation	350
Residency for Tuition Purposes	350

The OIGC work plan is subject to change based on the results of the periodic risk assessments, and in order to be responsive to requests made by the Board of Governors or the Chancellor to evaluate particular programs.

Respectfully Submitted:  Date: 6-19-14  
Inspector General

Approved by:  Date: 6/19/2014  
Chancellor

Approved by:  Date: 6/19/2014  
Chair, Audit and Compliance Committee

Reviewed by:  Date: 6/19/2014  
Chair, State University System of Florida Board of Governors