

**University of North Florida  
Board of Trustees  
Audit and Compliance Committee Charter**

**Section 1: ROLE AND PURPOSE**

The primary function of the University of North Florida (“the University”) Audit and Compliance Committee (“the ACC”) is to assist the Board of Trustees (“the Board”) in fulfilling its fiduciary oversight responsibilities for the following activities:

- 1.0 The integrity of the university’s annual financial statements.
- 1.1 The system of internal controls and risk assessment.
- 1.2 The university's compliance with legal and regulatory requirements.
- 1.3 The qualifications, independence, and performance of the internal and external audit functions and the compliance and ethics program.

In addition, the ACC seeks will implement and oversee the State University System of Florida Board of Governors Regulations 4.001, 4.002, 4.003, and 4.004 whose purpose is to address the University’s complaints processes of waste, fraud, or financial mismanagement, Chief Audit Executive responsibilities, the University’s compliance and ethics program, and the Board of Governors’ oversight enforcement authority.

**Section 2: AUTHORITY**

The ACC’s authority comes from the Board of Trustees. The ACC has the authority to direct the Office of Internal Auditing (OIA) to conduct an audit, review, and/or a special investigation into any matters within the scope of the ACC’s responsibility. The ACC will inform the Board of such actions and results. Further, the ACC has the responsibility to provide governance oversight of the Compliance and Ethics Program. The ACC is has the authority to:

- 2.0 Be allowed unrestricted access to all University activities, records, property, and personnel.
- 2.1 Approve the use of outside accountants, consultants or others retained by the University to assist in conducting audits, reviews, and/or special investigations.
- 2.2 Review and recommend adequate budget for the OIA and Compliance and Ethics Program as part of the University’s budget approval process.
- 2.3 Retain, with Board approval, independent counsel, accountants, or others having special competence as necessary to assist in fulfilling its responsibility or assist in the conduct of an investigation.
- 2.4 Ensure the Chief Compliance Officer and Chief Audit Executive have appropriate independence and objectivity, authority, and the ability to promote and enforce their respective functions.
- 2.5 Delegate authority to subcommittees.

The Committee will have the resources and authority necessary to discharge its duties and responsibilities.

### **Section 3: MEMBERSHIP AND MEETINGS**

Each Trustee (member) shall be free of any relationship that would interfere with the exercise of his or her independent judgment as a member of the committee.

Collectively, members of the Committee should have professional experience and expertise in at least one of the following fields: post-secondary education, education, non-profit administration, investing, finance, accounting, financial reporting, auditing, or information technology. At least one member of the ACC should have audit, compliance, accounting or related financial expertise. However, the lack of any such member shall not invalidate or otherwise affect the actions taken by the Committee.

3.0 The ACC shall be composed of no more than 7 members.

3.1 Per the BOT Bylaws, the Board Chair shall appoint the members of the Audit and Compliance Committee, which shall include the Board Chair, and designate one (1) to serve as the committee Chair and one (1) as the committee Vice Chair.

3.2 The ACC shall meet at least three times annually, or more frequently as deemed necessary by any member.

3.3 The ACC may invite members of management, representatives of the external auditor, institutional compliance partners, or others to attend meetings and provide pertinent information, as necessary.

### **Section 4: AUDIT AND COMPLIANCE COMMITTEE RESPONSIBILITIES**

The ACC relies on the expertise and knowledge of management, the Chief Audit Executive, the Chief Compliance Officer, institutional compliance partners, and the independent auditors in carrying out their oversight responsibilities. As such, the Audit and Compliance Committee is accountable to the Board for carrying out the following responsibilities:

#### **4.0 Financial Statements**

- Review analyses prepared by management and/or the external auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Discuss the annual audited financial statements with management and the external auditors.

#### **4.1 Risk and Internal Controls**

- Discuss with management the University's major policies with respect to risk assessment and risk management.
- Consider the effectiveness of the University's internal controls environment.
- Understand the scope of internal and external auditors' reviews of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- Review any disclosures made about significant deficiencies in the design or operation of internal controls or any fraud that involves employees who have a significant role in the University's internal controls.

#### 4.2 Internal Audit

- Review and concur in the appointment, evaluation, replacement, or dismissal of the Chief Audit Executive. The Chief Audit Executive shall report functionally to the Chair of the ACC and administratively to the President.
- Annually review the Office of Internal Auditing's functional and administrative reporting relationships to ensure independence is fostered.
- Annually review, with the Chief Audit Executive, the charter, plans, activities, staffing, and organizational structure of the internal audit function.
- Annually review the OIA annual report.
- Review and approve the annual audit plan as support by the independent risk assessment process and discuss overall results with the Chief Audit Executive.
- Receive from the OIA each final internal audit report and progress report on the approved audit plan.
- Review reports, in consultation with the Board Chair, Committee Chair and President, on material and significant audit issues which may include investigations of fraud, waste, and abuse.
- Review the effectiveness of the internal audit function, including compliance with the Institute of Internal Auditors Global Standards and Code of Ethics This may be accomplished through a Quality Assurance and Improvement Program as required by The Institute of Internal Auditors.

#### 4.3 External Audit

- Review the State Auditor General and other external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Review the overall performance of the State Auditor General and other external auditors engaged to perform work within the University and make a recommendation to the Board on the appointment or discharge of the external auditors where applicable.

#### 4.4 Compliance Program

- Review and concur in the appointment, evaluation, replacement, or dismissal of the Chief Compliance Officer. The Chief Compliance Officer shall report functionally to the Chair of the ACC and administratively to the President.
- Ensure the Compliance and Ethics Program is reasonably designed to optimize its effectiveness in preventing or detecting non-compliance, unethical behavior, and criminal conduct.
- At least once every five (5) years, review the results of an external review of the program's design and effectiveness, as required by BOG Regulation 4.003.
- Require the Chief Compliance Officer to provide a comprehensive annual report on the activities and effectiveness of the Compliance and Ethics Program.
- Review the results of and remediation from compliance reviews resulting from instances of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Encourage continuous improvement of and compliance with University Regulations, Policies, , and processes at all levels.

#### 4.5 Communication & Reporting

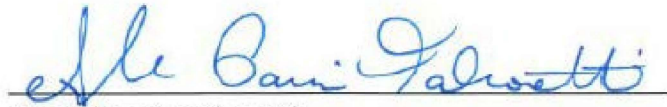
The Committee shall regularly report to the Board about Committee activities and issues that arise with respect to:

- The University's compliance with legal and regulatory requirements,
- The performance of the University's external auditors, internal audit function, and Compliance and Ethics Program.

- Any significant and credible allegations of fraud, waste, abuse, or financial mismanagement or repeat audit or compliance issues may need further disclosure to the University System of Florida Board of Governors in pursuance to regulation 4.001.

## ADOPTION OF CHARTER

I HEREBY CERTIFY that the University of North Florida Board of Trustees reviewed and approved this Charter at its regularly scheduled meeting on March 4, 2026.



Angela Garcia Falconetti  
Interim President



Nikul Patel  
Chair, Audit and Compliance Committee



Clarence S. Moore  
Chair, Board of Trustees

History: Adopted: 06-09-15, Reviewed and Amended 10-11-18, 01-28-21, 01-20-22, 02-23-23, 06-13-24, 06-11-25, 03-05-25, 03-04-26.