



# ANNUAL REPORT 2024-2025

**FSU**  
**OFFICE OF AUDIT &  
ADVISORY SERVICES**



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**FSU** | OFFICE OF AUDIT & ADVISORY SERVICES

# Message from the Chief Audit Officer (CAO)



This report outlines the Office of Audit and Advisory Services' (OAAS) activities and accomplishments for Fiscal Year (FY) 24–25, which summarizes our current activities and the protocols guiding next year's work. These practices

meet and often exceed the standards outlined in Board of Governors (BOG) Regulation 4.002 – State University System Chief Audit Executives, ensuring our Office remains adherent and effective.

The success of OAAS is a direct result of the team's varied professional backgrounds in academia, public accounting, corporate operations, and state government. The team also boasts 2 advanced degrees, 8 professional certifications, and is active in local, national, and global accounting and auditing organizations. This multifaceted expertise ensures that our work goes beyond traditional assurance activities, allowing us to provide University leadership insights into continued operational excellence, resource optimization, and strategic alignment.

In terms of audit activity effectiveness, we had a banner year for both productivity and impact. Our core mission is to identify risks, evaluate controls, and provide practical recommendations that promote efficiency, effectiveness, and integrity across the University. For the Operational and Information Technology audit areas, we completed 17 audits, of which 8 were first-time audits, and conducted 3 advisory reviews. After audit reports are issued, we diligently monitor that corrective action plans are properly implemented. For the Investigations area, we received 34 complaints through the hotline or direct contact and issued 1 investigative report. Furthermore, OAAS staff led 4 Internal Controls and Fraud Awareness training sessions with 68 participants from 29 different

departments and colleges. These sessions helped participants understand the role and importance of internal controls and learn how to identify the key fraud indicators, which increases awareness and assists in the prevention and detection of fraud.

This year's key accomplishment was the significant increase in collaboration with colleges, departments, faculty, and staff. By fostering stronger relationships, OAAS demonstrated that being better together leads to more meaningful results. In May 2025, the Institute of Internal Auditors President shared his vision for the internal audit profession – internal auditors should move beyond traditional “lines of defense” and take a more proactive role in the Institutional/Enterprise Risk Management (IRM) process. OAAS was at the forefront of this major mindset shift, as we worked closely with FSU Executive Leadership on the development and launch of the FSU IRM Program. This approach underscores OAAS' commitment to helping the University identify and manage strategic and operational risks.

Our FY25–26 Annual Audit Plan was approved by the Board of Trustees' (BOT) Audit & Compliance Committee (BOT A&C) on August 28, 2025. This year, we will continue to leverage automation and artificial intelligence and expand agile auditing practices, enhancing the value we provide to the University.

On behalf of OAAS, I extend my sincere thanks to President McCullough, the BOT, and the BOT A&C for the continued support of our mission.

*Undra Baldwin*

**Undra Baldwin**  
MS CYBER, MBA, CIA, CISA, CDPSE, CFE, CIG  
Chief Audit Officer  
Florida State University

# FLORIDA STATE UNIVERSITY

## Office of Audit & Advisory Services Team

The CAO reports functionally to the BOT A&C and administratively to the FSU President (President). This reporting relationship promotes independence and assures adequate consideration of audit findings and planned actions. OAAS staff report to the CAO, as noted in the organizational chart below.



**Undra Baldwin**, MS CYBR,  
MBA, CIA, CISA, CDPSE, CFE, CIG  
Chief Audit Officer



**Heather Friend**, CPA, CIA, CIG  
Director of Audits



**Jeffrey Caines**, CIA, CFE, CGAP  
Director of Audits



**Curtis Henker**, CIA  
Senior Auditor



**Hannah Jonas**, CIA, CIGA, FCCM  
Senior Auditor



**Dawson Lincecum**  
Staff Auditor



**Robert Garner**  
Staff Auditor



**Joanna Palmer**  
Administrative Specialist



## **AUTHORITY FOR THE OFFICE**

In September 2003, the President and the BOT initially approved a charter for the Office of Audit Services. In November 2016, BOG adopted Regulation 4.002 – State University System Chief Audit Executives. BOG Regulation 4.002 states, “Each university shall have an office of chief audit executive as a point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in the operations of the University.”

The BOT reaffirmed the charter in June 2021. On July 1, 2023, the President and the BOT approved the Office name change to OAAS.

## PURPOSE

OAAS helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. OAAS works in conjunction with other offices and departments to monitor the risk management processes and provide assistance as needed. OAAS assists employees of the University in the effective discharge of their responsibilities, thereby protecting the resources and the students it serves.

## STRATEGY

The strategy for OAAS focuses on three key areas:

### ■ STRATEGIC & OPERATIONAL RISK MANAGEMENT

Identifying and evaluating significant risks to the University's operations and reputation, while promoting a strong culture of risk awareness and accountability. This includes reviewing business processes and controls to find opportunities for improvement.

### ■ IMPLEMENT SUPPORTING INITIATIVES

Developing a comprehensive audit plan, conducting thorough audits and reviews, and using advanced tools like data analytics and artificial intelligence to enhance accuracy and efficiency. A core part of this is building strong relationships with leadership and other key stakeholders.

### ■ PROFESSIONAL DEVELOPMENT & TALENT MANAGEMENT

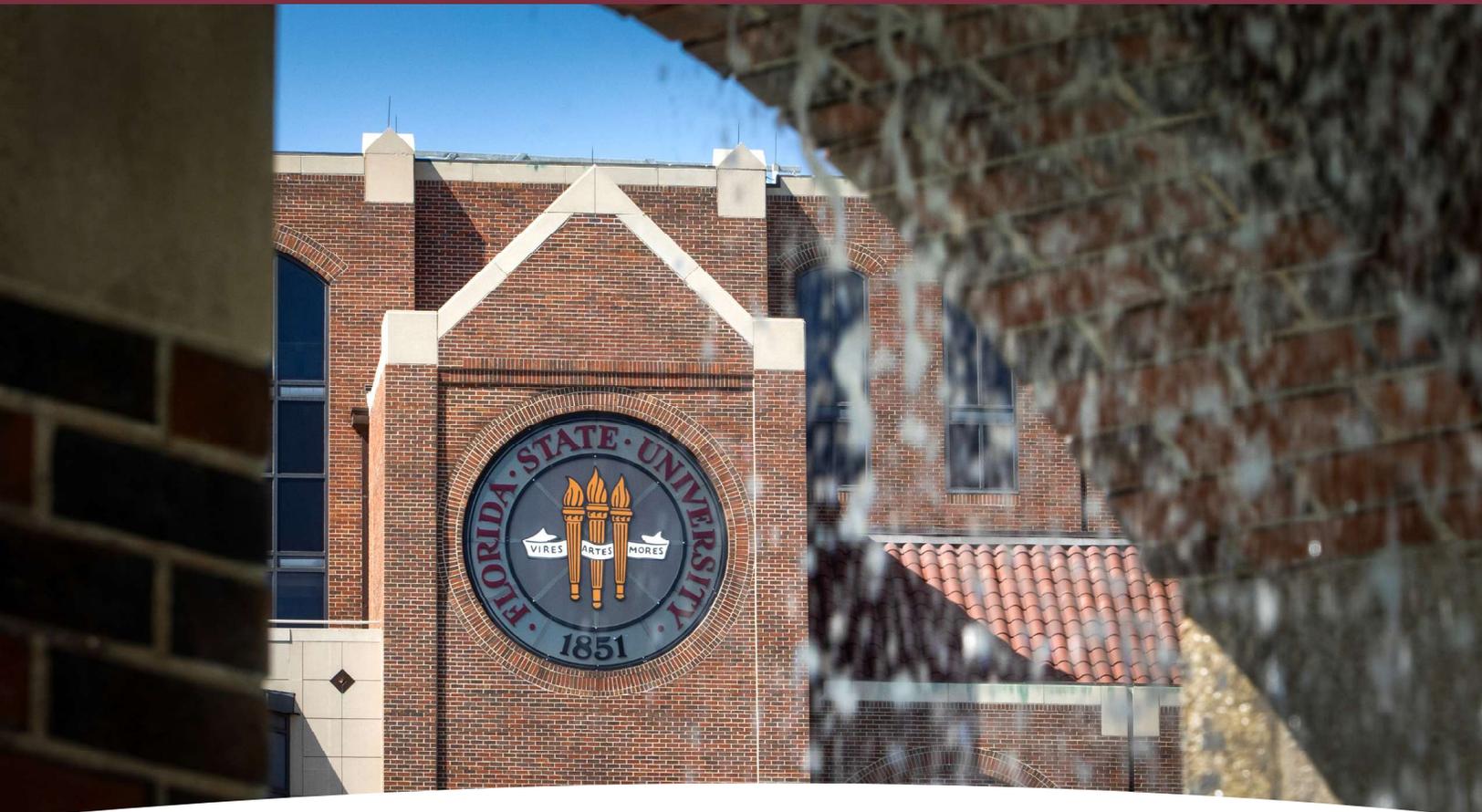
Investing in the team through continuous professional development, supporting staff in obtaining certifications, and planning for future leadership through succession planning.

## MISSION

OAAS' mission is to:

- Provide an independent, objective, and comprehensive program of auditing and investigations.
- Improve the University's operations through the provision of assurance and consulting services and investigations.
- Actively work with University Boards and Committees, management, faculty, and staff.
- Identify risks, evaluate controls, and make recommendations that promote economic, efficient, effective, unbiased, and ethical delivery of services.
- Evaluate and improve the effectiveness of risk management, control, and governance processes.





## VISION

OAAS' vision is to add value and be trusted advisors for the University and the BOT. We will accomplish our vision by being an exemplary, professional audit and investigative Office that implements innovative processes, utilizes automation, performs robust risk-based assessments, and promotes ethical behavior.

## CORE VALUES

- Integrity – Ensure projects are performed with confidentiality, fairness, and objectivity. The basis of our existence is credibility and effectiveness.
- Quality and Accuracy – Demonstrate excellence by performing audits/investigations that are accurate and timely and provide results and recommendations that will enhance operations.
- Innovative – Utilize automation and data analytics to support our systematic, disciplined approach of completing audits/investigations.
- Teamwork – Accomplish goals and objectives through collaborative efforts with faculty, staff, and external teams.
- Value Added – Identify process improvements and promote efficiencies that will result in the overall improvement for the University and/or quantifiable cost savings.

# Audits Issued for FY24-25

Internal audits are conducted in conformance with the Global Internal Audit Standards.

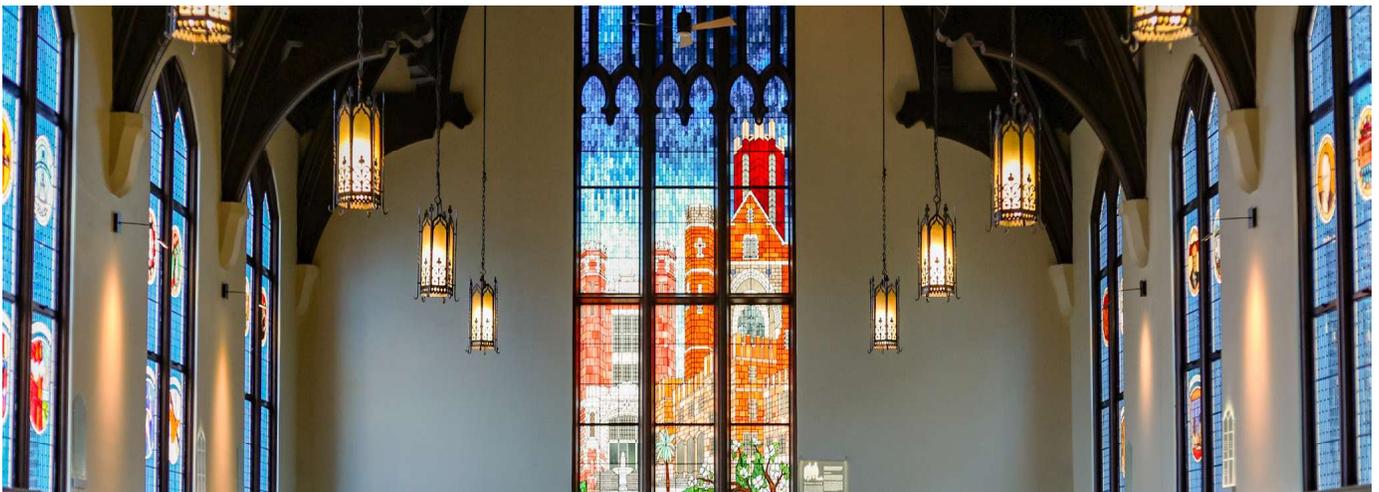
OAAS performs various types of audit projects. Audits are assurance services defined as examinations of evidence for the purpose of providing an independent assessment of governance, risk management, and control processes for the organization. Examples include:

- Operational – designed to evaluate the effectiveness, efficiency, and reasonableness of a department’s operational processes.
- Information Systems – designed to examine the accuracy, reliability, access controls, and security of information systems.
- Compliance – designed to determine if activities are in compliance with applicable regulations, policies, procedures, and practices.
- Financial – designed to examine the accounting and reporting of financial transactions.

The following operational and information technology audits were completed during FY24–25:

## OPERATIONAL AUDITS

- 1 Florida State University Schools – Phase 1 (*Rollover Audit from FY23-24*)
- 2 Campus Recreation Cash Collections (*Rollover Audit from FY23-24*)
- 3 Performance-Based Funding Metrics Data Integrity Certification Audit (*mandated*)
- 4 BOG Regulation 9.012 Foreign Influence (*mandated*)
- 5 Preeminent Research University Funding Metrics Data Integrity Certification Audit (*mandated*)
- 6 Athletics Sports Conditioning
- 7 OAAS Follow-Up Report – Operational Audits
- 8 Direct Support Organizations Financial Statement and Internal Revenue Service Form 990 Review





## INFORMATION TECHNOLOGY AUDITS

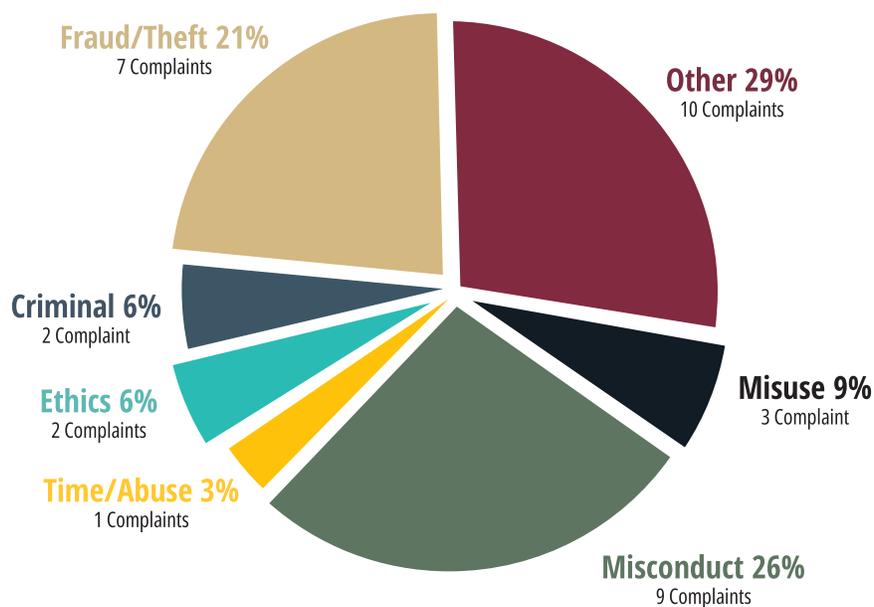
- 1 Research Computing Data Security
- 2 FSU Advancement Security Processes and Procedures
- 3 FSU Foundation Security Processes and Procedures
- 4 Seminole Boosters Security Processes and Procedures (*Public*)
- 5 Seminole Boosters Security Processes and Procedures (*Confidential*)
- 6 Center for Advanced Power Systems Security Processes and Procedures (*Public*)
- 7 Center for Advanced Power Systems Security Processes and Procedures (*Confidential*)
- 8 OAAS Follow-Up Report – Information Technology Audits (*Public*)
- 9 OAAS Follow-Up Report – Information Technology Audits (*Confidential*)

# Investigations

OAAS receives complaints and allegations reported directly from internal and external parties and through the University's EthicsPoint Hotline (Hotline). The Hotline is available for the reporting of suspected acts of fraud, waste, and abuse, including, but not limited to, mismanagement, violations of laws, rules, or procedures by University employees or contractors, etc. Investigations may be based on concerns arising from existing investigations and audits. In addition, OAAS provides investigative assistance to the FSU Police Department (FSUPD) and other law enforcement entities when requested. Upon receipt, each complaint or request is evaluated to determine what type of investigative action is needed. Complaints that do not fall within the jurisdiction of OAAS are referred to the appropriate entity. Complainants can provide their contact information (if desired) or file a report anonymously.

For FY24-25, OAAS received 34 total complaints/intakes as compared to 24 complaints/intakes for FY23-24.

## FY24-25 INVESTIGATIVE CASES/INTAKES



## SOURCES

Employees	9%
External	44%
Anonymous	35%
Students	12%

## WHISTLE-BLOWER PROTECTION

The CAO's responsibilities include the analysis of all complaints to determine if the criteria are met for whistle-blower protection pursuant to section 112.3189, Florida Statutes. The complainant must be a current or former employee, contractor or contractor employee, or applicant for University or contractor employment.

## FOLLOW-UP

In conformance with the Standards, OAAS follows up on audit observations and other significant issues to determine if planned actions communicated by the college or department have been implemented. The follow-up process is performed annually. All observations and issues are followed up on until final resolution.

As of March 31, 2025, there were 36 outstanding operational audit corrective action items identified by OAAS. Of those 36 action items, 24 have been implemented/closed, and 12 are still outstanding/open.

As of March 31, 2025, there were 28 (3 public and 25 confidential) outstanding IT audit corrective action items identified by OAAS. Of those 28 action items, 14 (14 confidential) have been implemented/closed, and 14 (3 public and 11 confidential) are still outstanding/open.

## QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

The Standards require that the CAO develop and maintain a Quality Assurance and Improvement Program (QAIP) that covers all aspects of the internal audit activity to evaluate the operations of the internal auditing department. To this end, OAAS conducts ongoing monitoring primarily through continuous activities. Based on our ongoing internal QAIP, we believe OAAS complies with the Standards. In addition, OAAS participates in an external quality control review program that is conducted once every 5 years. The last external review, conducted in September 2022, concluded that OAAS "generally conforms<sup>1</sup>" with the Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing*<sup>2</sup> and the Code of Ethics.

## RISK ASSESSMENT PROCESS

Each year, OAAS conducts a risk assessment of University activities and services. The risk assessment process includes interviews with the FSU President, Vice Presidents, key administrators, and the Chairperson of the BOT A&C. Feedback received through these interviews contributes significantly to the successful development of our Plan.

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<sup>1</sup> The IIA's Quality Assessment Manual suggests a scale of three ratings, "Generally Conforms," "Partially Conforms," and "Does Not Conform." "Generally Conforms" means the internal audit activity has a charter, policies, and processes that are judged to be in conformance with the Standards. "Partially Conforms" means deficiencies in practice are noted that are judged to deviate from the Standards, but these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner. "Does Not Conform" means deficiencies in practice are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

<sup>2</sup> The International Professional Practices Framework (IPPF) was updated in 2024 and became effective on January 9, 2025.



## PROVISION OF TRAINING TO THE UNIVERSITY COMMUNITY

OAAS knows the importance of training and its benefits to the University and its employees' professional development. We are fully committed to this essential component of our services.

OAAS provides training to faculty and staff, including those outside of Tallahassee, FL (e.g., Ringling Museum of Art in Sarasota, Panama City Campus, etc.), in the following areas:

- Internal controls
- Fraud awareness, prevention, and detection
- Other topics of interest to the requesting department or area
- Academic classes at the request of instructors

## PROFESSIONAL ACTIVITIES

OAAS is proud of the staff's experience and the continued commitment to external organizations that support internal auditing and higher education and activities. OAAS staff belong to all of the following professional organizations:

- Institute for Internal Auditors
- Information Systems Audit and Control Association
- Association of Certified Fraud Examiners
- Association of College and University Auditors
- Association of Inspectors General

## CERTIFICATIONS

Our staff maintains various professional certifications, demonstrating our continued commitment to the audit profession. Current certifications held by the team and the number of staff who hold them are:

- Certified Internal Auditor (5)
- Certified Information Systems Auditor (1)
- Certified Public Accountant (1)
- Certified Fraud Examiner (2)
- Certified Inspector General (2)
- Certified Inspector General Auditor (1)
- Certified Data Privacy Solutions Engineer (1)
- Certified Government Auditing Professional (1)

# Post-Project Surveys



At the conclusion of every audit project and review, OAAS forwards a post-project survey to the auditee or requesting college or department. For the past 2 years, the Office’s goal has been to continuously improve our audit process and performance and increase auditee satisfaction.

Our efforts have paid off. In FY23-24, the average overall rating was 4.50%. Thanks to key improvements in our processes and a more collaborative approach, our average rating has since increased to 4.68% in FY24-25. This shows our commitment to delivering a high level of service and professionalism. We use a rating scale of 1 to 5, with 5 being the most favorable rating, to measure our success. The only area for improvement was surrounding timely reporting, where our rating decreased by 3.09%. This rating was significantly impacted as the Office received a rating of “2” from an auditee survey response, due to the audit being extended by 1 year as the audit objectives and test steps had to be expanded.

The compiled results for FY24-25 ratings appear in the following chart:

CATEGORY	AVERAGE RATING FOR FY23-24	AVERAGE RATING FOR FY24-25	PERCENTAGE DIFFERENCE
Audit Process	4.28	4.65	▲ 8.64%
Technical Knowledge	4.22	4.52	▲ 7.11%
Reporting	4.53	4.39	▼ 3.09%
Communications	4.61	4.76	▲ 3.25%
Professionalism	4.69	4.74	▲ 1.07%
Added Value	4.67	5.00	▲ 7.07%
<b>Average Overall Rating</b>	<b>4.50</b>	<b>4.68</b>	<b>▲ 4.00%</b>

For FY25-26, the CAO and/or Auditor-in-Charge will ensure auditees are continuously updated throughout the audit process to improve the reporting process. In addition, survey ratings will continue to be reviewed with staff to inform them of feedback received and to improve our auditing and advisory services.



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