



Audit & Compliance Committee Meeting

BOT approved 11.10.2020

MEETING MINUTES

**Wednesday, September 9, 2020
10:00 AM – 10:15 AM**

Florida Polytechnic University WEBEX TELE-CONFERENCE MEETING

I. Call to Order

Committee Vice Chair Mark Bostick called the meeting to order at 10:50 a.m.

II. Roll Call

Kim Abels called the roll: Committee Chair Bob Stork, Committee Vice Chair Mark Bostick, Trustee Don Wilson, and Trustee Ala' J. Alnaser were present (Quorum).

Other Trustees present: Board Chair Cliff Otto, Trustee Frank Martin, Trustee Gary Wendt, Trustee Earl Sasser, and Trustee Connor Coddington

Staff present: Mr. David Blanton, Mrs. Kim Abels, Ms. Gina Deiulio, Ms. Michele Rush, Mr. Rick Maxey, Mrs. Kris Wharton, President Randy Avent, Provost Terry Parker, and Mrs. Kathy Bowman

III. Public Comment

There were no requests received for public comment.

IV. Approval of the May 20, 2020 Minutes

Trustee Don Wilson made a motion to approve the Audit & Compliance Committee meeting minutes of May 20, 2020. Trustee Ala' J. Alnaser seconded the motion; a vote was taken, and the motion passed unanimously.

V. Audit & Compliance Committee Work Plan

Mr. David Blanton, Chief Compliance Officer and Chief Audit Executive, presented the 2020-22 Audit and Compliance Committee Work Plan.

VI. Committee Charter Review and Approval

Mr. Blanton presented the Audit & Compliance Committee Charter for review and approval.

Trustee Alnaser made a motion to recommend approval of the Audit & Compliance Committee Charter to the Board of Trustees. Trustee Don Wilson seconded the motion; a vote was taken, and the motion passed unanimously.

VII. Audit & Compliance Update

Mr. Blanton provided the Committee with an update of audit and compliance activities. The updates included the following:

- a. External Audits: Currently, Florida Poly is undergoing the following audits:
 - Bright Futures – conducted by the Auditor General
 - Statewide Federal Awards Audit – conducted by the Auditor General
 - Financial Audit – conducted by the Auditor General and to begin in the fall
- b. Internal Audit and Compliance Activities: Currently the University has the following projects in progress or planned:
 - CARES Act Federal Award Monitoring Review
 - Textbook Affordability Monitoring Review (Fall 2020 term)
 - Performance Based Funding Audit – to begin in fall 2020

VIII. Auditor General Operational Audit

Mr. Blanton presented the operational audit for calendar year ending December 31, 2019 conducted by the Florida Auditor General. The report included two findings (textbook affordability and background screenings) which was an improvement from the last operational audit that included nine findings.

Trustee Don Wilson made a motion to recommend approval of the Auditor General Operational Audit for calendar year ending December 31, 2019 to the Board of Trustees. Trustee Bob Stork seconded the motion; a vote was taken, and the motion passed unanimously.

IX. UAC Annual Report – FYE 6/30/2020

Mr. Blanton presented the Annual Report summarizing both University audit and compliance activities for the 2019-20 fiscal year. The Board of Governors Regulation 4.002 requires that an annual report be prepared summarizing the Activities of University Audit for the preceding year. Similarly, BOG Regulation 4.003 provides that the chief compliance officer shall report at least annually on the effectiveness of the compliance and ethics program.

Mr. Blanton reviewed key activities of his office including internal audit activity, actual progress in addressing identified areas of risk for 2019-2020, utilization of his time in both audit and compliance activities, and progress made in the 2019-2020 Compliance & Ethics Program Plan. Finally, Mr. Blanton covered general outcomes of allegations and investigations his office reviewed for the prior year.

Trustee Don Wilson made a motion to recommend approval of the UAC Annual Report for Fiscal year ending June 30, 2020 to the Board of Trustees. Trustee Bob Stork seconded the motion; a vote was taken, and the motion passed unanimously.

X. UAC Audit Plan and Risk Assessment – FYE 6/30/21

Mr. Blanton presented the annual risk assessment and activity plan outlining the proposed work to be performed by University Audit for the 2020-21 fiscal year. The goal of the Plan is to effectively use audit resources in order to provide audit coverage to areas with the greatest known risks and to dedicate sufficient time in administering the Compliance and Ethics Program.

This year, three areas were determined to present the highest risk to the University: Performance Based Funding (PBF) reporting controls, institutional scholarship awards, and

follow-up on previously reported matters to determine the current status of all corrective actions taken to date. Mr. Blanton reviewed the steps that will be taken to address these issues, as well as any additional risk assessments should resources become available within the fiscal year.

Mr. Blanton also reviewed the 2020-2021 audit plan which outlines his use of time in conducting the functions and duties of his role as Chief Audit Executive (CAE).

Trustee Alnaser made a motion to recommend approval of the UAC Audit Plan and Risk Assessment for fiscal year ending June 30, 2021 to the Board of Trustees. Trustee Bob Stork seconded the motion; a vote was taken, and the motion passed unanimously.

XI. UAC Compliance and Ethics Program Plan – FYE 6/30/21

Mr. Blanton presented the annual plan outlining the proposed work to be performed by University Compliance for the 2020-21 fiscal year. The Committee should consider whether the Proposed Plan (a) promotes an organizational culture that encourages ethical conduct and a commitment to compliance and (b) allocates University Compliance resources in an efficient and effective manner.

Mr. Blanton reviewed the seven compliance and ethics areas he will focus on this year: CARES Act interim compliance monitoring, textbook affordability compliance monitoring, statement of financial disclosures and potential conflicts of interest compliance monitoring, foreign influence/foreign gifts and contracts compliance monitoring, compliance and ethics training for employees, development of program assessment criteria, and general compliance activities.

Trustee Don Wilson made a motion to recommend approval of the UAC Compliance and Ethics Program Plan for fiscal year ending June 30, 2021 to the Board of Trustees. Trustee Alnaser seconded the motion; a vote was taken, and the motion passed unanimously.

XII. Closing Remarks and Adjournment

With no further business to discuss, the meeting adjourned at 11:21 a.m.