

Governance, Audit, and Compliance Committee COMMITTEE GUIDANCE

(Staff Liaison: David Blanton, CAE and CCO)

Purpose/Charter: The Governance, Audit, and Compliance Committee is a standing committee of the Board of Trustees responsible for reviewing and making recommendations to the Board on various Board functions, including periodically reviewing the Board's Bylaws; evaluating the Board's performance; initiating Board training; facilitating nominations related to the Board Chair and Vice-Chair elections; reviewing proposed changes to University regulations and policies which are not reviewed by another Board committee; and overseeing presidential personnel matters, (which includes the annual evaluation and making recommendations related to the President's compensation adjustments and annual goals). The Committee also acts as the plan administrator of the Florida Polytechnic University retirement plan created for the President.

Additionally, the Committee monitors the overall organizational tone for quality financial reporting, sound business risk practices, compliance with applicable laws and regulations, policies, and ethical behavior. The Committee receives and reviews both internal and external auditors' reports ensuring that timely and appropriate corrective actions have been taken. The Committee also approves the audit and compliance plans for University Audit and Compliance and monitors the progress of each plan.

**For a more detailed Audit and Compliance Charter, please see separate documentation on the Governance, Audit and Compliance Committee's webpage.*

I. Composition:

- The Committee will consist of no less than three members of the Board of Trustees
 - The Chair and Vice Chair of the Board of Trustees are eligible as members per Bylaws
- The University's General Counsel and the Chief Audit Executive (CAE)/Chief Compliance Officer (CCO) will serve as joint staff liaisons to the Committee
- The Governance, Audit and Compliance Committee Chair and members are appointed and removed by the Chair of the Board of Trustees
- The Chair of the Governance, Audit, and Compliance Committee is the Committee's representative on the Board of Trustees' Executive Committee

II. Meetings:

- The Governance, Audit, and Compliance Committee will meet at least three (3) times annually. The Committee may schedule additional meetings if needed
- The meetings will be open to the public
- A majority of Governance, Audit, and Compliance Committee members present at a committee meeting constitutes quorum for purposes of committee business

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- The Committee will maintain written minutes of its meetings, and the Committee Chair will approve each meeting's agenda
- The Committee may invite members of the administration, faculty, or others to attend meetings and provide pertinent information
- The Committee may request special presentations or reports that may enhance members' understanding of their responsibilities

III. Responsibilities & Duties: To fulfill its oversight role, the Governance, Audit and Compliance Committee will carry out the following responsibilities and duties:

Governance:

Regarding each item listed below, the Committee will:

- Evaluate its own performance on a regular basis
- Review Board bylaws every three years and recommend changes as necessary to the full Board
- Nominate a chair and vice chair of the Florida Polytechnic University Board of Trustees for consideration by the full Board
- Inform members of corporate governance best practices and make recommendations to the Board and its committees
- Oversee an annual evaluation of the performance of the President
- Provide recommendations to the Board regarding the President's compensation adjustments and employment agreement
- Oversee and approve changes to President's supplemental retirement plan
- Provide recommendations to the Board regarding Board member education, including regularly scheduled board member training and attendance at Board of Governors meetings
- Review the Committee charter and discuss any required changes with the Board

Audit and Compliance:

Regarding each item listed below, the Committee will:

- Assist the Board of Trustees in fulfilling oversight responsibilities in relation to financial reporting, internal control systems, risk management systems, compliance with laws rules and regulations and internal and external audit functions
- Adopt flexible procedures in order to react to changing conditions and provide reasonable assurances to the Board that the scope of audit services and the adequacy of the internal control systems are in compliance with state and federal laws, regulations and requirements
- Direct the Chief Audit Executive and/or the Chief Compliance Officer (CAE/CCO) to conduct investigations into any matters within its scope of responsibility and obtaining advice and assistance from outside legal, accounting, or other advisers, as

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necessary, to perform its duties and responsibilities. Meeting with and seeking any information it requires from employees, officers, directors, or external parties

- Conduct or authorize investigations into matters within the committee's scope of responsibilities. The Committee is empowered to retain independent accountants, counsel, or others to assist it in the conduct of any investigation
- Review and monitor implementation of management's response to internal and external audit recommendations