

**FLORIDA POLYTECHNIC UNIVERSITY
AUDIT & COMPLIANCE COMMITTEE
MEETING MINUTES
Florida Polytechnic University Admissions Building
4700 Research Way
Lakeland, FL 33805
March 15, 2017 @ 12:30 p.m.**

I. Call to Order

Chair Cliff Otto called the Audit and Compliance Committee meeting to order at 12:30 p.m.

II. Roll Call

Maggie Mariucci called the roll: Chair Cliff Otto, Trustee Don Wilson, Trustee Mark Bostick, and Trustee Dick Hallion were present and a quorum was declared.

Other trustees present: Chair Frank Martin, Trustee Philip Dur, Trustee Veronica Perez-Herrera, Trustee Henry McCance, and Trustee Bob Stork were present.

Staff present: President Dr. Randy Avent, Mr. Kevin Aspegren, Ms. Gina DeJulio, Mr. Mark Mroczkowski, Dr. Terry Parker, Mrs. Maggie Mariucci, and Mr. Rick Maxey.

III. Public Comment

There were no requests for public comment.

IV. Approval of Minutes

Trustee Henry McCance made a motion to approve the Audit and Compliance Committee meeting minutes of December 7, 2016. Trustee Don Wilson seconded the motion; a vote was taken, and the motion passed unanimously.

Trustee Henry McCance made a motion to approve the Audit and Compliance Committee meeting minutes of December 21, 2016. Trustee Don Wilson seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2016-2018 Audit and Compliance Committee Work Plan

There were no comments on the Committee's Work Plan.

VI. Florida Poly Compliance & Ethics Program

Mr. Mark Mroczkowski provided an update on the University's status with the Compliance and Ethics program. He reviewed the four items that need to be approved in today's meeting.

VII. FPU-1.015 Allegations of Waste, Fraud, Financial Mismanagement, Misconduct, and Other Abuses

Ms. Gina DeJulio stated that the Florida Board of Governors recently adopted Regulation 4.001 “University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement” which provides, “Each board of trustees shall adopt a regulation which requires timely notification to the Board of Governors, through the OIGC, of any significant and credible allegation(s) of fraud, waste, mismanagement, misconduct, and other abuses made against the university president or a board of trustees member.” The Regulation further requires “(t)he board of trustees’ regulation shall articulate how the university will address any significant and credible allegation(s) of fraud, waste, mismanagement, misconduct, and other abuses made against the chief audit executive or chief compliance officer.”

FPU-1.015 Allegations of Waste, Fraud, Financial Mismanagement, Misconduct, and Other Abuses complies with the requirements of BOG Regulation 4.001 and staff requests that this committee recommend approval of the regulation to the full Board.

Trustee Don Wilson made a motion to approve FPU-1.015 Allegations of Waste, Fraud, Financial Mismanagement, Misconduct, and Other Abuses. Trustee Richard Hallion seconded the motion; a vote was taken, and the motion passed unanimously.

VIII. Audit Committee Charter Revisions and Internal Charters for Audit and Compliance

Mr. Mroczkowski stated that the Committee needs to amend the Audit Committee Charter. He shared that he reviewed the amendments with the Inspector General at the Board of Governors meeting. Mr. Mroczkowski reviewed the changes to the Charter and the Committee had no questions.

Trustee Richard Hallion made a motion to approve the Audit Committee Charter revisions. Trustee Mark Bostick seconded the motion; a vote was taken, and the motion passed unanimously.

Mr. Mroczkowski then reviewed the Internal Charters for both the Chief Audit Executive and Chief Compliance Officer, which will be the same person for the University. The recruiting process for this position is underway. The Committee had no questions regarding these two charters.

Trustee Don Wilson made a motion to approve the two Internal Charters for the Chief Audit Executive and the Chief Compliance Officer. Trustee Richard Hallion seconded the motion; a vote was taken, and the motion passed unanimously.

IX. Report of Internal Auditor

Mr. Larry Burke, from the auditing firm Sunera (now re-branded Focal Point Data Risk, LLC), presented two reports:

A. Workday Implementation

Focal Point conducted a review of the Workday implementation process. This was not a financial audit but rather an audit of the Workday system itself. Focal Point concluded that Workday is functioning properly and there are no significant issues procedurally.

B. Anti-hazing Contract Review

Focal Point reviewed the anti-hazing contract awarded to Hazing Solutions to determine if the contract was appropriate based on university purchasing guidelines. The auditors concluded the contract was awarded within the guidelines of the University's policy.

Four other audits will be completed next quarter: a payroll review of FIPR Institute; review of a compensation issue for a professor; a discrimination claim; and health and safety which came out of the risk plan.

Trustee Richard Hallion made a motion to approve the Internal Auditor's report as presented. Trustee Don Wilson seconded the motion; a vote was taken, and the motion passed unanimously.

X. Operational Audit

Mr. Mroczkowski reported that Florida Poly is under an operational audit by the State Auditor General's office since the University is new and still considered high-risk. The letter of engagement outlines a total of three audits: the Operational audit, the Financial Aid audit and the year-end Financial audit. The audits should be completed by July 2017.

With no further business to discuss, the Audit and Compliance Committee meeting adjourned at 1:15 p.m.