



BOARD OF TRUSTEES

Governance, Audit, and Compliance Committee **DRAFT** Meeting Minutes

May 22, 2026
8:30 A – 9:45 A

Barnett Applied Research Center (BARC) Room 2200 and
Virtual via Microsoft Teams

I. Call to Order

Committee Chair Ilya Shapiro called the Governance, Audit, & Compliance Committee meeting to order at 8:36 a.m.

II. Roll Call

Kristen Wharton called the roll: Committee Chair Ilya Shapiro, Committee Vice Chair Sidney Theis, Trustee Patrick Hagen, and Trustee Jesse Panuccio were present (Quorum)

Committee members not present: Trustee Jeffrey Beelaert

Other Trustees present: Board Chair Beth Kigel, Trustee Rob Kincart, Trustee Jack Harrell III, Trustee Christie Bassett, Trustee Colby Manrodt, Trustee Eliot Peace, Trustee Derek Henderson

Staff Present: President Devin Stephenson, David Blanton, Provost Brad Thiessen, Bryan Brooks, Dr. Tanner McKnight, Dr. Cole Allen, Kelli Stargel, Katie Daniel, and Kristen Wharton

III. Public Comment

One public comment was given by Mike Sanderson regarding the Audit & Compliance Plan Changes & Reviewers.

IV. Approval of the February 6, 2026, Minutes

Trustee Jesse Panuccio made a motion to approve the Governance, Audit, and Compliance Committee meeting minutes for February 6, 2026. Trustee Sid Theis seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2024-2026 Governance, Audit, and Compliance Committee Work Plan

Committee Chair Shapiro reviewed the Governance, Audit, and Compliance Committee Work Plan. There were no questions about the Work Plan.

VI. Audit and Compliance

A. Audit and Compliance Update

David Blanton, CAE and COO, stated the University is currently undergoing a comprehensive operational audit that covers a wide range of administrative functions, including construction management, travel, P-card usage, employee compensation, and Sunshine Law compliance. The final report for this operational audit is expected to be completed and presented to the Committee at the September meeting.

Blanton shared that his internal efforts are focused on completing a conflict-of-interest monitoring review and a five-year self-evaluation for audit and compliance functions. He also reminded trustees of the July 1 deadline for filing Form 1 with the Florida Commission on Ethics, with a specific emphasis on providing detailed breakdowns of intangible assets rather than broad account summaries.

B. Audit & Compliance Plan Changes & Reviewers

Blanton proposed to the Committee a "flip-flop" of the five-year reviews, prioritizing Compliance over Audit due to reviewer availability. Initially, the five-year audit review was slated to occur first; however, because the compliance peer team is ready to begin ahead of schedule, the University will now conduct the five-year compliance review prior to the audit review. This change was formally presented to ensure compliance with audit standards, which mandate committee approval for any significant adjustments to the established plan.

The compliance review will be conducted as a peer review at no cost by the Chief Compliance Officers from the University of South Florida and the University of North Florida. For the audit review, the university will outsource the process to Sam McCall, a highly credentialed expert in the field. These adjustments allow the University to effectively manage the workload of these two major evaluations while ensuring they are completed within the required 2026-2027 timeframe.

Trustee Jesse Panuccio made a motion to recommend to the Board of Trustees approval of (1) proposed audit and compliance plan changes and (2) external reviewers for both audit and compliance programs. Trustee Sid Theis seconded the motion; a vote was taken, and the motion passed unanimously.

C. University Financial Audit FYE25

The University received a clean, unmodified opinion from the Florida Auditor General on its annual financial statements, reflecting excellence in managing complex governmental accounting standards. This audit also resulted in a clean report regarding compliance and internal controls, with the primary financial shifts attributed to increased capital investments as the University expands and higher auxiliary revenues from record enrollment and housing demand.

D. Foundation 990

Blanton reviewed the Foundation's Form 990, confirming that its fiscal activities remain in alignment with University goals and Board of Governors requirements.

E. Textbook Affordability Monitoring Report (Spring 2026)

Blanton reported success in textbook affordability and transparency for Spring 2026, with the University meeting all expanded state requirements, including the timely posting of instructional materials, general education syllabi, and faculty attestations.

F. Review of Anti-Fraud Framework

Blanton, along with Michelle Powell, University Risk Manager, presented a review of Florida Poly's anti-fraud framework. This framework, governed by Regulation 1.0125, was found to be highly effective in nine of ten key areas, including reporting anonymity and whistleblower protections. The review identified a need for enhanced formal education, which will be addressed through the launch of in-person summer training and a quarterly awareness campaign.

Current mitigation efforts are concentrated on high-risk areas such as P-card usage, timekeeping, and travel reimbursements. To support institutional integrity during this period of aggressive growth, the internal audit office is shifting toward a proactive consulting model, focusing on strengthening internal controls and rotating deep-dive audits into these top risk areas.

VII. Governance

A. Officer Elections

Committee Chair Shapiro noted that during the February meeting, the Committee discussed a slate of officers to recommend to the Board for the biennial term commencing July 1. At that time, a consensus was reached to retain Beth Kigel as Chair and Jesse Panuccio as Vice Chair. Both individuals have since formally confirmed their willingness to serve an additional two-year term. No other nominations were brought forward.

Trustee Patrick Hagen made a motion to recommend to the Board of Trustees the nomination of Beth Kigel as Board Chair and Jesse Panuccio as Vice Chair for the term of July 1, 2026, through June 30, 2027. Trustee Sidney Theis seconded the motion; a vote was taken, and the motion passed unanimously.

B. President's Goals FY27

President Stephenson presented his Administrative Action Plan for fiscal year 2027, emphasizing a commitment to the University's "2025-2030 Strategic Plan." He highlighted three primary pillars: comprehensive institutional growth, intentional resource development, and expanded industry partnerships. The President outlined an ambitious growth trajectory, suggesting that while the immediate goal is 3,000 students, Florida Poly has the capacity to reach 10,000 within a decade. This expansion will be supported by the construction of Residence Hall 4, a new dining facility, and the Student Achievement Center (StAC).

The President detailed significant internal improvements, most notably a dramatic increase in faculty retention to 90% and a revamped enrollment strategy that leverages AI to identify high-potential STEM students. To bolster the University's prestige, he announced the new "Presidential Fellows Program" to bring in globally recognized experts and highlighted a \$5.4

million increase in federal funding for AI research labs. He also noted that Florida Poly's return on investment (ROI) for students exceeds 500%, the highest in the State University System, due to high starting salaries and low student debt.

President Stephenson noted that his plan prioritizes "friendraising" and fundraising, with a target of \$3-\$5 million in annual Foundation gifts. He also committed to land acquisition to ensure the campus remains contiguous and expandable. Academically, the University is successfully transitioning through new accreditation cycles and expanding into high-demand fields like aerospace engineering and biomedical sciences. The President concluded by reaffirming his dedication to a "student-focused" culture built on integrity, free expression, and "fearless curiosity" in research.

Trustee Jesse Panuccio made a motion to recommend to the Board of Trustees approval of the President's Administrative Action Plan for fiscal year 2027. Trustee Sidney This seconded the motion; a vote was taken, and the motion passed unanimously.

IX. Closing Remarks and Adjournment

With no further business to discuss the meeting adjourned at 9:38 a.m.

Respectfully submitted:

Kristen Wharton
Corporate Secretary