



Governance, Audit, and Compliance Committee Meeting Minutes

Committee approved 11.06.2023

**Thursday, September 21, 2023
1:00 PM - 3:00 PM**

**Florida Polytechnic University
VIRTUAL via MICROSOFT TEAMS**

I. Call to Order

Committee Chair Mark Bostick called the Governance Committee meeting to order at 1:00 p.m.

II. Roll Call

Sherri Pavlik called the roll: Committee Chair Mark Bostick, Committee Vice Chair Laine Powell, Board Chair Cliff Otto, Trustee Narendra Kini, Trustee Gary Wendt, and Trustee David Williams were present (Quorum)

Other Trustees present: Board Vice Chair Beth Kigel, Trustee Melia Rodriguez, and Trustee Lyn Stanfield

Staff present: President Randy Avent, Provost Terry Parker, David Fugett, David Blanton, Mike Dieckmann, Melaine Schmiz, Kris Wharton, and Sherri Pavlik

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

Trustee David Williams made a motion to approve the Governance, Audit, and Compliance Committee meeting minutes for June 7, 2023. Board Chair Cliff Otto seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2022-2024 Governance, Audit and Compliance Committee Work Plan Review

Committee Chair Bostick reviewed additions added to the Governance, Audit, and Compliance Committee Work Plan. There were no questions about the additions.

Trustee Narendra Kini made a motion to approve the revised 2022-2024 Governance, Audit, and Compliance Committee Work Plan as presented. Board Chair Cliff Otto seconded the motion; a vote was taken, and the motion passed unanimously.

VI. Audit and Compliance

A. Audit and Compliance Charters

David Blanton, CAE and CCO, presented 3 charters outlining the responsibilities of the audit and compliance function. These charters are driven BOG requirements and

internal auditing standards:

1. Audit and Compliance Committee Charter – added responsibility to notify Board of Governors (BOG) for extended CAE vacancy, approval for outsourcing, change of frequency of charter review to every 3 years, and other minor revisions
2. Audit Charter - minor revisions only
3. Compliance Charter - minor revisions only

Board Chair Cliff Otto made a motion to recommend to the Board of Trustees the approval of the revised AACC Charter, University Audit Charter, and the Compliance and Ethics Charter. Trustee Narendra Kini seconded the motion; a vote was taken, and the motion passed unanimously.

B. Audit and Compliance Update

Blanton provided the Committee with an update on external audits which included:

1. Auditor General (AG) Operational CY22 – completed
2. AG IT Audit – completed
3. AG Financial Audit FYE23 – in progress
4. AG State Financial Aid (2 year, FYE 22 & 23) – in progress
5. AG Federal Single Audit – in progress

Internal Audit Reports included:

1. Annual Report FYE23 – completed
2. Risk Assessment/Audit Plan – completed
3. Compliance & Ethics Program Plan – completed
4. Textbook Adoptions Compliance Review, Fall 2023 – in progress
5. Performance Based Funding – in progress

C. UAC Annual Report

Blanton provided an overview of the internal UAC Annual Report FYE 23 highlighting the completion of 4 audit reports, 3 compliance reports and the quality assurance review for the audit function.

D. UAC Risk Assessment & Audit Plan – FYE 24

Blanton provided an overview of the progress on UAC Risk Assessment & Audit Plan FYE24 which includes follow up on auditor general reports and the Crowe report.

Board Chair Cliff Otto made a motion to recommend to the Board of Trustees the approval of the UAC Risk Assessment & Audit Plan – FYE24. Trustee David Williams seconded the motion; a vote was taken, and the motion passed unanimously.

E. UAC Compliance & Ethics Program Plan – FYE 24

Blanton provided an overview of the UAC Compliance & Ethics Program Plan FYE 24. **Trustee David Williams made a motion to recommend to the Board of Trustees the approval of the UAC Compliance & Ethics Program Plan – FYE 24. Board Chair Cliff Otto seconded the motion; a vote was taken, and the motion passed unanimously.**

F. Performance Based Funding Audit, Scope, and Objections – 2023 Audit

Blanton presented to the Committee the objectives and scope of the Performance Based Funding (PBF).

Board Chair Cliff Otto made a motion to recommend to the Board of Trustees the approval of the proposed scope of the PBF Data Integrity Audit. Trustee David Williams seconded the motion; a vote was taken, and the motion passed unanimously.

G. Auditor General Operational Audit

Blanton provided an overview of the Auditor General Operational Audit.

Trustee Gary Wendt inquired on the retention of personal information on prospective students. Provost Parker explained retaining records assists in managing information for students that may reapply at a later date. Blanton followed up stating that there are record retention laws which require records be kept for 5 years for those students who applied for Federal Funds.

Trustee David Williams inquired about the value of non-sensitive information being retained for looking at trends, admissions, offers, etc. Provost Parker agreed that there is valuable information, however, the question is how long such information should be retained.

VII. Governance

A. Regulation FPU-3.006 Student Code of Conduct

Melaine Schmiz, Associate General Counsel, presented an overview of the amended Student Code of Conduct regulation. The changes are in compliance with the Board of Governors Regulation 14.010 and Section 553.865, Florida Statutes.

Trustee David Williams made a motion to recommend to the Board of Trustees the approval of the amended Regulation FPU-3.006 Student Code of Conduct. Trustee Narendra Kini seconded the motion; a vote was taken, and the motion passed.

B. Regulation FPU-8.001 Procurement

Schmiz presented an overview of the amended FPU-8.001 Procurement regulation. The proposed changes are in compliance with the BOG regulation.

Trustee Narendra Kini made a motion to recommend to the Board of Trustees the approval of the amended Regulation FPU-8.001 Procurement. Board Chair Cliff Otto seconded the motion; a vote was taken, and the motion passed unanimously.

C. Employment Practices

President Randy Avent provided the Committee with an overview of the employee hiring process, personnel management, a summary of employees hired in FY23, and a summary of employees making over \$200k a year.

VIII. Board of Trustees Self-Assessment Survey

Kristen Wharton, Corporate Secretary, reminded the Committee of the previous discussions regarding the Board's self-assessment survey. An in-house survey was provided to Chair Otto and Vice Chair Kigel for their review prior to being shared with Committee members. The proposed survey will be sent to each trustee following the BOT meeting and results will be discussed at the November meeting.

IX. President's Annual Review – Trustee Evaluation Instrument

David Fugett, General Counsel, reminded Trustees that the Board of Governors (BOG) mandates an annual evaluation of the President. As President Avent's past evaluations received good information and involvement, the format will remain the same. This year's evaluation instrument was adjusted based on the goals of the President, which the Board approved, and certain items the BOG may wish to have more focus on. The evaluation form, along with the President's accomplishments for FYE23 will be sent to each trustee in mid-October.

Board Chair Cliff Otto made a motion to recommend to the Board of Trustees the approval of the Trustee Evaluation Instrument titled "President's Annual Review" to be used in the FYE 2023 evaluation of the President's performance. Trustee David Williams seconded the motion; a vote was taken, and the motion passed unanimously.

X. President's FYE23 Accomplishments

President Avent presented his FYE23 accomplishments to the committee. Trustees had an opportunity to ask questions. With none, Committee Chair thanked President Avent for his presentation.

XI. Closing Remarks and Adjournment

With no further business to discuss the meeting adjourned at 4:47 p.m.

Respectfully submitted:
Sherri Pavlik
Executive Assistant
Office of General Counsel