



Audit & Compliance Committee Meeting

BOT approved 02.09.2022

MEETING MINUTES

**Wednesday November 10, 2021
1:30 PM – 2:00 PM**

Florida Polytechnic University WEBEX TELE-CONFERENCE MEETING

I. Call to Order

Committee Chair Bob Stork called the meeting to order at 1:30 p.m.

II. Roll Call

Kim Abels called the roll: Committee Chair Bob Stork, Committee Vice Chair Mark Bostick, Trustee Laine Powell, and Trustee Lyn Stanfield were present (Quorum).

Other Trustees present: Board Chair Cliff Otto

Staff present: President Randy Avent, Dr. Kathryn Miller, Kathy Bowman, David Blanton, Larry Locke, John Causey, David Calhoun, Penney Farley, Mike Dieckmann, Melaine Schmiz, Kim Abels, Michele Rush, Lydia Guzman, Andrea Cashell, and Kris Wharton.

III. Public Comment

There were no requests received for public comment.

IV. Approval of the September 8, 2021, minutes

Trustee Laine Powell made a motion to approve the Audit & Compliance Committee meeting minutes of September 8, 2021. Trustee Mark Bostick seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2021-2022 Audit & Compliance Committee Work Plan

David Blanton, Chief Compliance Officer and Chief Audit Executive, presented the 2021-2022 University Audit and Compliance (UAC) Committee Work Plan. Minor adjustments were made to the work plan due to timing of reports; however, no action was required of the committee.

VI. Audit and Compliance Update

Blanton provided the committee with an update on all Audit & Compliance activities:

External Audits: Updates were provided on the following audits:

- Auditor General Financial Audit FYE 6/30/21 – The annual financial report was completed and submitted to the Board of Governors (BOG). The Auditor General started their fieldwork for the FYE2021 financial audit with expected completion by March 31, 2022.

- Auditor General: Bright Futures and Florida Student Assistance Grants (FSAG) Audits FYE 6/30/21 – Fieldwork started this past summer. Blanton has not heard of progress on these two statewide reports; however, they should be completed in early 2022.
- U.S. Department of Education (USED) – The USED completed a Program Review of Title IV programs for 2019 and 2020. They issued preliminary findings in May 2021 which staff addressed and USED now considers resolved. One finding relating to Satisfactory Academic Progress (SAP) was waived as the liability was less than \$1,000.
- Foundation Internal Controls Review – This review was initiated by the Board of Governors as a result of DSO fraud at another SUS institution. Fieldwork will begin in spring 2022.

Internal Audit and Compliance Activities: Currently, University Audit & Compliance has the following projects in progress or planned:

- Textbook Adoption Compliance Report – Blanton completed this report and will share details in the next agenda item.
- 5-year Review of Compliance Program – Blanton completed this review which is now undergoing external validation. He is also performing a review of University of North Florida’s compliance program as their lead validator.
- Upcoming projects include follow-up on prior findings from past audits and textbook monitoring for spring 2022.
- PBF Audit – Blanton is currently working on the Performance Based Funding (PBF) audit which is due February 2022.
- Quality Assurance Review (QAR) – Blanton will conduct a Quality Assurance Review of the University’s audit practices during spring-summer 2022.

VII. Textbook Monitoring Report - Fall 2021

Blanton presented on the Textbook Adoption Compliance Monitoring Review. Ninety-five percent of required and recommended instructional materials must be posted 45 days prior to the start of classes. The latest report shows a timely posting rate of 99.1%. The BOG now requires that courses with no required materials or open-sourced materials be included in the report. A process has been implemented to properly exclude justifiable exceptions.

VIII. Foundation Financial Audit – FYE21

Blanton presented the Foundation Financial Audit FYE21. The audit was performed by Carr, Riggs & Ingram and resulted in an unmodified clean opinion on the financial statements. A clean opinion on the financial statements and the financial condition of the Foundation was favorable. One internal control deficiency was identified over restricted funds and the Foundation has indicated this matter has been corrected.

IX. Closing Remarks and Adjournment

With no further business to discuss, the meeting adjourned at 1:46 p.m.