



Board of Trustees Audit & Compliance Committee Meeting

Wednesday, February 28, 2018
8:30 AM-9:00 AM

Florida Polytechnic University
Student Development Center
4700 Research Way
Lakeland, FL 33805

Cliff Otto, Chair
Dr. Richard Hallion

Don Wilson, Vice-Chair
Gary Wendt

Mark Bostick
Dr. Louis Saco

AGENDA

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| I. | Call to Order | Cliff Otto, Chair |
| II. | Roll Call | Maggie Mariucci |
| III. | Public Comment | Cliff Otto, Chair |
| IV. | Approval of the December 6, 2017 Minutes
Action Required | Cliff Otto, Chair |
| V. | 2016-18 Audit and Compliance Committee
Work Plan Review
Action Required | David Blanton |
| VI. | Audit & Compliance Update | David Blanton |
| VII. | Closing Remarks and Adjournment | Cliff Otto, Chair |

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**FLORIDA POLYTECHNIC UNIVERSITY
BOARD OF TRUSTEES
AUDIT & COMPLIANCE COMMITTEE
MEETING MINUTES**

**Florida Polytechnic University Admissions Building
4700 Research Way
Lakeland, Florida 33805**

**December 6, 2017 @10:30 AM
or upon the conclusion of the previous meeting**

I. Call to Order

Committee Chair Cliff Otto called the Audit and Compliance Committee meeting to order at 9:45 a.m.

II. Roll Call

Maggie Mariucci called the roll: Committee Chair Cliff Otto, Trustee Don Wilson, Trustee Mark Bostick, Trustee Louis Saco, and Trustee Gary Wendt were present and a quorum was declared.

Other trustees present: Trustee Sandra Featherman, Trustee Henry McCance, Trustee Philip Dur, Trustee Jacob Livingston, and Trustee Bob Stork were present.

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

III. Public Comment

There were no requests for public comment.

IV. Approval of Minutes

Trustee Gary Wendt made a motion to approve the Audit and Compliance Committee meeting minutes of October 31, 2017. Trustee Don Wilson seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2016-2018 Audit and Compliance Committee Work Plan

Mr. David Blanton reviewed some changes to the Work Plan, which include new and additional reporting dates as required by the Board of Governors.

Trustee Gary Wendt made a motion to approve the amended 2016-2018 Audit and Compliance Committee Work Plan. Trustee Mark Bostick seconded the motion; a vote was taken and the motion passed unanimously.

VI. Audit Update

Mr. Blanton gave an update on the external and financial audits. An audit on the Bright Futures program will also occur over a two-year period beginning in 2018. The Foundation audit has been completed and will be released soon. Mr. Blanton also reviewed the University's compliance and ethics program; FIPR Institute's integration of their payroll into the Florida Poly Workday system; and the new risk assessment work plan.

Mr. Blanton reviewed requests from the Board of Governors including an enterprise risk management survey, sponsored research certification, and compliance program status checklist. He will bring the compliance program plan to the board meeting in May.

Mr. Blanton and Committee Chair Otto will discuss how best to present the audit report, and will discuss this topic again at the February 2018 meeting.

VII. University Audit and Compliance Annual Report

Trustee Gary Wendt made a motion to approve the University Audit and Compliance Annual Report. Trustee Don Wilson seconded the motion; a vote was taken, and the motion passed unanimously.

VIII. FIPR Institute Payroll Review

Trustee Gary Wendt made a motion to approve the FIPR Institute Payroll Review. Trustee Don Wilson seconded the motion; a vote was taken, and the motion passed unanimously.

IX. Audit and Compliance Risk Assessment/Work Plan

Trustee Don Wilson made a motion to approve the Audit and Compliance Risk Assessment/Work Plan. Trustee Gary Wendt seconded the motion; a vote was taken, and the motion passed unanimously.

X. Board of Governors Requests

This topic was covered in Mr. Blanton's report recorded above. There was no action required on the part of this committee.

XI. Closing Remarks and Adjournment

With no further comments, the meeting was adjourned at 10:05 a.m.

AGENDA ITEM: V

**Florida Polytechnic University
Audit & Compliance Committee
Board of Trustees
February 28, 2018**

Subject: 2016-2018 Audit and Compliance Committee Work Plan Review

Proposed Committee Action

Recommend approval of the revised 2016-2018 Audit and Compliance Committee Work Plan to the Board of Trustees.

Background Information

Committee Chair, Cliff Otto, will discuss with the committee the revisions to the 2016-2018 Work Plan.

Supporting Documentation:

2016-2018 Revised Audit and Compliance Work Plan

Prepared by: David Blanton, Chief Audit Executive, Chief Compliance Officer

Florida Polytechnic University
Audit & Compliance Committee
Work Plan 2016-2018

March 15, 2017	June 7-8, 2017	September 13, 2017	December 6, 2017
<ul style="list-style-type: none"> • New BOG Audit & Compliance regulations workshop • Adopt BOT regulation in conformance with BOG 	<ul style="list-style-type: none"> • Risk Assessment workshop 	<ul style="list-style-type: none"> • UAC short-term work plan 	<ul style="list-style-type: none"> • UAC 2016-17 Annual Report • UAC 2017-18 Risk Assessment/Activity Plan • FIPRI payroll review • BOG Survey, Certification, and Checklist
February 28, 2018	May 22-23, 2018	¹ September 12, 2018	¹ December 5, 2018
<ul style="list-style-type: none"> • Audit & Compliance Update 	<ul style="list-style-type: none"> • Audit & Compliance Update • University Financial Audit – FYE 6/30/17 • University Operational Audit • University Compliance & Ethics program plan • Enterprise Risk Management (ERM) workshop • Foundation Financial Audit – FYE 6/30/17 	<ul style="list-style-type: none"> • Audit & Compliance Update • UAC 2017-18 Annual report • UAC 2018-19 Risk Assessment/Activity Plan 	<ul style="list-style-type: none"> • Audit & Compliance Update • University Financial Audit FYE 6/30/18 • Foundation Financial Audit FYE 6/30/18
¹ Tentative until approved by the Board of Trustees			

AGENDA ITEM: VI

**Florida Polytechnic University
Audit and Compliance Committee
Board of Trustees
February 28, 2018**

Subject: Audit & Compliance Update

Proposed Committee Action

No action required. Information only.

Background Information

David Blanton, Chief Audit Executive/Chief Compliance Officer (CAE/CCO) will provide the Committee with an update of all University and Foundation audits currently in progress and/or scheduled to begin in the near future and an update on the University's compliance program.

Supporting Documentation:

PowerPoint Presentation

Prepared by: David Blanton, Chief Audit Executive and Chief Compliance Officer



FLORIDA POLYTECHNIC
UNIVERSITY

Audit & Compliance Update

David A. Blanton
February 28, 2018



External Audits Status

- **Operational audit**
 - Fieldwork completed
 - Exit conference held in November/no further correspondence
- **Federal audit**
 - Statewide audit typically released in March
- **Financial audit**
 - Fieldwork completed, released by 3/31/18
- **Bright Futures audit**
 - Fieldwork complete
 - 2 year audit
- **Foundation financial audit**
 - Pending approval of the Foundation board



Internal Audit Status

- **Sponsored Research audit objectives:**
 - Policies and procedures in place to ensure compliance
 - Proper administration of sponsored research
 - Opportunities for making significant improvements to sponsored research's governance, risk management, and control processes
- **Status of audit**
 - Engagement letter delivered
 - Fieldwork just beginning



Outline

- **Audit Update**
- **Compliance Program Update**
 - Compliance Hotline
 - Compliance Program Plan
- **Summary**



Compliance Hotline

COMPLIANCE HOTLINE

All members of the university community, including faculty, staff, business partners, students, and others, who are alerted to a potential incident (allegation) or have knowledge of an actual incident involving noncompliance with applicable laws and regulations or university policies are required to report such concerns. Employees who knowingly fail to report fraudulent activity shall be subject to disciplinary action. Reporting such concerns is a service to the university and university policy prohibits retaliation against individuals who make a good faith report of alleged or known noncompliance. (See Policy FPU 10125P)

Examples of noncompliance or ethical issues that may be reported using the Compliance Hotline include, but are not limited to, financial mismanagement, misuse of Florida Poly resources, discrimination, harassment, health and safety issues, research misconduct, falsification of information on documents, and information security violations. Reported incidents should include sufficient information in order to be adequately investigated.

In most instances, the best place to raise a concern or question regarding noncompliance is with appropriate supervisory personnel. However, if you do not feel comfortable reporting such concerns to supervisory personnel, or if you wish to remain anonymous, you may report your concerns to UAC through any of the following reporting mechanisms that constitute the **Compliance Hotline**:

- [COMPLIANCE HOTLINE FORM](#)
- Fax (863) 874-8509
- Mail:
P.O. Box 1808
2615 Ellis Ave.
Eaton Park, Florida 33840
- Phone [\[863\] 874-8441](tel:863-874-8441)

Incidents of alleged and known noncompliance reported on the mechanisms noted above are directed to UAC and thus will be afforded proper consideration, and investigation where warranted, free from influence. Where applicable, such investigations will be conducted pursuant to the "Whistle-blowers Act" as provided for in Section 112.3187(5), Florida Statutes.



Compliance Update

- **Compliance Program Plan**
 - Required by BOG Regulation
 - Present Plan to the Audit & Compliance Committee in May 2018



Summary

- **Audit update**
 - Several reports still pending release
 - University Audit has started Sponsored Research
- **Compliance update**
 - Compliance Hotline established
 - Compliance program plan in progress