

Florida Polytechnic University  
Board of Trustees

**Audit and Compliance Committee Meeting**

**MEETING MINUTES**

Wednesday March 13, 2019  
11:30 AM-12:00 PM

Florida Polytechnic University, 4700 Research Way, Lakeland, FL 33805

I. Call to Order

Committee Chair Gary Wendt called the meeting to order at 11:58 a.m.

II. Roll Call

Kim Abels called the roll: Committee Chair Gary Wendt, Committee Vice-Chair Dick Hallion, Trustee Mark Bostick and Trustee Travis Hills were present (Quorum).

Other trustees present: Trustee Jim Dewey and Trustee Bob Stork

Staff present: President Randy Avent, Mr. Mark Mroczkowski, Mr. Rick Maxey, Mr. David Blanton, Mrs. Kim Abels and Mrs. Kris Wharton were present.

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

**Trustee Mark Bostick made a motion to approve the Audit & Compliance Committee meeting minutes of December 5, 2018. Trustee Travis Hills seconded the motion; a vote was taken, and the motion passed unanimously.**

V. 2018-2020 Audit & Compliance Committee Work Plan Review

Mr. David Blanton reviewed the Work Plan for 2018-2020. No comments or changes were made.

VI. Audit & Compliance Update

Mr. Blanton provided the Committee with an update of audit and compliance activities. The updates included the following:

- A. External Audits: Currently, the Foundation Financial audit is complete and awaiting Foundation Board approval. The University's financial audit for 6/30/18 is near completion but has not been issued by the Auditor General.

- B. Internal Audit and Compliance Activities: The CAE completed one review, one investigation, and has assisted with various consulting projects.
- C. Foundation Operating and Scholarship Funds: Mr. Blanton reported on the revenues and expenses for the Foundation through February of the current fiscal year. Revenues have declined significantly; however, the University is taking action to reduce Foundation expenses. Trustee Wendt questioned where the revenue comes from. Mr. Blanton answered that it comes from donors and the funds are designated per donor intent.

VII. Auditor General Follow Up Review

Mr. Blanton presented the results of the follow-up review of the prior Operational Audit. Specifically, the following was noted:

1. Several findings have not been corrected to date; however, a corrective action plan has been developed to ensure timely correction prior to the next scheduled operational audit. Three areas at risk of being a repeated finding are textbook affordability, expense card transaction approval and payroll processing. Steps are being taken to correct the processes.
2. Section 1013.74(6) Florida Statutes provides authority for the university to use unspent programmatic funds for capital purposes rather than return such funds (as recommended by the Auditor General). Accordingly, it is recommended that \$330,000 in questioned costs from the audit be retained rather than restored to the State Treasury.

**Trustee Mark Bostick made a motion to recommend approval of the Auditor General Follow Up Review to the Board of Trustees. Trustee Travis Hills seconded the motion; a vote was taken and the motion passed unanimously.**

VIII. Auditor General Information Technology Operational Report

Mr. Blanton presented the results of the Auditor General audit of our IT system (Workday) and reported that there was only one finding noted. Mr. Blanton reported the finding has been corrected.

**Trustee Dick Hallion made a motion to recommend approval of the Auditor General Information Technology Operational Report to the Board of Trustees. Trustee Travis Hills seconded the motion; a vote was taken and the motion passed unanimously.**

IX. Investigative Report FPU 2019-03

Mr. Blanton presented the results of Investigative Report 2019-03 related to alleged discrimination. Reported allegations were not sustained.

**Trustee Travis Hills made a motion to recommend approval of the Investigative Report FPU 2019-03 to the Board of Trustees. Trustee Dick Hallion seconded the motion; a vote was taken and the motion passed unanimously.**

X. Closing Remarks and Adjournment

With no further business to discuss, the meeting adjourned at 12:34 p.m.