

Florida Polytechnic University
Board of Trustees

Audit and Compliance Committee Meeting

MEETING MINUTES

**Wednesday December 5, 2018
9:00 AM-9:45 AM**

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

I. Call to Order

Committee Chair Gary Wendt called the meeting to order at 9:00 AM

II. Roll Call

Kim Abels called the roll: Committee Chair Gary Wendt, Trustee Adrienne Perry, Trustee Frank Martin, Trustee Bob Stork, Trustee Mark Bostick and Trustee Travis Hills were present (Quorum).

Other trustees present: Chair Don Wilson, Vice-Chair Cliff Otto, Trustee Philip Dur, and Trustee Henry McCance.

Staff present: President Randy Avent, Ms. Gina DeJulio, Mr. Mark Mroczkowski, Mr. Kevin Aspegren, Mr. Rick Maxey, Mr. David Blanton, Mr. Derek Horton, Ms. Michele Rush, Mrs. Kim Abels and Mrs. Maggie Mariucci were present.

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

Trustee Bob Stork made a motion to approve the Audit & Compliance Committee meeting minutes of September 5, 2018. Trustee Frank Martin 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 the Audit and Compliance activities. The updates included the following:

- A. External Audits: Currently, the Foundation Financial audit and an audit of the University's Information Technology System are in progress; however, final reports have not been released. The University's financial audit for June 30, 2018 has not been yet begun.
- B. Internal Audit and Compliance Activities: University Audit completed one audit, recently conducted compliance & ethics training for University staff, and has assisted with various consulting projects.
- C. Foundation Operating and Scholarship Funds: Mr. Blanton presented the revenues and expenses for these Foundation funds through the first quarter of the fiscal year. There was very little revenue or expenditure activity for either fund. Trustee Wendt questioned if the applications are down since the discount rate for scholarships is down. President Randy Avent answered that there are many changes in the University and negative news may be a contributing factor.

VII. SUS Compliance Program Status Checklist

Mr. Blanton reviewed the SUS Compliance Program Status Checklist. The checklist, required by the Board of Governors, reports on the progress towards implementing the 19 required compliance plan components. All required components were in place as of November 2018. Compliance and ethics training has been conducted with a focus on federal compliance, data privacy and cybersecurity, compliance and ethics training, and ongoing compliance communications.

Trustee Frank Martin made a motion to recommend approval of the SUS Compliance Program Status Checklist to the Board of Trustees. Trustee Bob Stork seconded the motion; a vote was taken and the motion passed unanimously.

VIII. UAC Report 2019-02 Sponsored Research Activities

Mr. Blanton presented the Audit of Sponsored Research that was completed by University Audit. Sponsored research was very responsive and cooperative with providing the information needed for this audit. The audit identified 7 observations directed at enhancing the operations of sponsored research, as noted below:

- A. Labor Effort Reporting (Allocated salaries): The federal requirement for records to accurately reflect the work performed is not tracked in the current ERP system and the Sponsored Research department is adopting a system to certify the time spent at the end of each semester. This will be an acceptable method to support the time.
- B. Performance Metrics
- C. Written Policies and Procedures
- D. Sponsored Research Billings
- E. Export Controls
- F. Grant Proposal Routing Forms
- G. Required Research Training

Trustee Mark Bostick made a motion to recommend approval of the University Audit & Compliance

(UAC) Report (2019-02) on Sponsored Research Activities to the Board of Trustees. Trustee Bob Stork 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 9:50 AM.