

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
AUDIT AND COMPLIANCE COMMITTEE
UNIVERSITY OF WEST FLORIDA
PENSACOLA, FLORIDA
MARCH 17, 2016

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and its Committees are accessible at <http://www.flbog.edu/>.*

Chair Alan Levine convened the meeting of the Audit and Compliance Committee at 9:49 a.m., at the University Conference Center on the University of West Florida campus, in Pensacola, Florida. The following Audit and Compliance Committee members were present: Wayne Huizenga, Ned Lautenbach, Wendy Link, and Fernando Valverde (by phone). The following members of the Board were also present: Richard Beard, Dean Colson, Daniel Doyle (by phone), Patricia Frost, Tonnette Graham, Tom Kuntz, Katherine Robinson, Pam Stewart (by phone), and Norman Tripp.

1. Call to Order

Mr. Levine called the meeting to order.

2. Approval of Minutes

Mr. Lautenbach motioned that the Committee approve the minutes of the Audit and Compliance Committee held January 20, 2016, as presented. Mr. Huizenga seconded the motion. The minutes were approved.

3. Performance-based Funding Data Integrity Results

Mr. Levine discussed the results of State University System institutions' audits regarding Performance-based Funding Data Integrity. He explained that data integrity is key to ensuring we have the best possible information on which to base important performance-based funding decisions. Data integrity assurance is dependent on audits conducted by each university's internal audit office, completed Data Integrity Certifications, and corrective action plans (as needed).

Mr. Levine provided a summary of the audit report results and corrective action plans. He stated that these materials are provided in the meeting materials. He

also noted that Florida Polytechnic University is not eligible to receive Performance-based Funding.

In summary, Mr. Levine stated that all audits concluded that university controls and processes which ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors were adequate. Additionally, the audit provided a reasonable basis of support for the President and Board Chairs' Data Integrity Certification. Findings were similar to those from last year and related to timeliness of data submissions, system access controls, the need for enhanced policies and procedures, and data errors.

4. Update, Florida Polytechnic University – Operational Audit Report

Mr. Levine provided a brief summary of the December 2015 Auditor General operational audit report of Florida Polytechnic University that was discussed with the Committee at its last meeting January 20, 2016. There were eight findings in the areas of administrative management and board policies, personnel and payroll, and procurement and payments. In preparation for the Board of Governors January 2016 meeting, Vice President and Chief Financial Officer, Mark Mroczkowski, provided the Board of Governors Inspector General, Joseph Maleszewski, with a status of the university's corrective actions. The Audit and Compliance Committee directed Mr. Maleszewski to continue monitoring the university's progress on those items and provide a progress report at the Committee's March 17, 2016, meeting. Additionally, Mr. Levine suggested that future progress reports be provided in the Select Committee on Florida Polytechnic University chaired by Governor Wendy Link.

Mr. Levine shared the details of Mr. Mroczkowski's March 2016 progress report with the Committee and stated that corrective actions are expected to be complete in October 2016.

5. Concluding Remarks and Adjournment

The meeting of the Audit Committee was adjourned at 9:57 a.m.

Alan Levine, Chair

Lori Clark, Compliance and Audit Specialist