



**Monday, November 7, 2022
9:00 AM**

Approved January 24, 2023

Virtual Meeting

I. **Call to Order**

Committee Chair, Blake Paul, called the meeting of the Florida Polytechnic University Governance Committee to order at 9:02 AM.

II. **Roll Call**

Kim Kennedy called the roll: Committee Chair, Blake Paul, Todd Bayliss, Dr. Muhammad Rashid, Donna Slyster and Madison Yonash were present (Quorum). Foundation CEO, Kathy Bowman, was also present. University staff present were Larry Locke, Director of Advancement Operations/Foundation COO, Kim Kennedy, Executive Assistant to the Foundation CEO and Melaine Schmitz, Associate General Counsel. Guests present were John J. Brielmaier, CRI Partner and Trisha Alcalá, CRI Supervising Senior.

III. **Public Comment**

Kim Kennedy stated no requests for public comment were received.

IV. **Approval of Minutes**

Donna Slyster motioned to approve the minutes of the Florida Polytechnic University Foundation Governance Committee meeting held August 22, 2022 as presented. Todd Bayliss seconded the motion; a vote was taken, and the motion passed unanimously.

V. **Receipt of FY22 Draft Foundation Audit**

Larry Locke introduced John Brielmaier from Carr, Riggs & Ingram (CRI) who presented the draft FY22 Foundation audit. The following information was presented regarding the auditors' reports and letter:

- Independent Auditors' Report on basic financial statements
 - Unmodified opinion
- Government Auditing Standards Report
 - No material weaknesses or other instances of noncompliance

Brielmaier also presented the follow audit results:

- **No audit adjustments** were proposed and/or recorded by the Foundation as a result of the audit procedures.
- **No audit findings** of internal control deficiencies or instances of noncompliance

Other communications presented:

- Significant accounting policies
 - No significant changes to accounting policies (policies are described in Note 1 of the financial statements)
- Significant difficulties encountered in the audit
 - No significant difficulties in dealing with management
- Disagreements with management
 - No disagreements arose during the course of the audit
- Other findings or issues
 - None noted
- Corrected and uncorrected misstatements
 - None noted
- Issues discussed with management prior to retention
 - None noted
- Internal control deficiencies
 - None noted

VI. **CROWE Controls and Procedural Audit Report**

Larry reported the Foundation was required by the Board of Governors to undergo a procedural audit. This was required due to a large embezzlement which occurred within another State University System university. The cost of this audit was initially quoted to be \$9500. However, due to multiple delays by other universities, an additional \$6,000 was assessed to the Foundation. This was a non-budgeted expense.

There was one finding because of this procedural audit because of a “conflict of separation of duties”. This is due to calculations and postings being conducted by one individual. The Foundation is aware of this weakness and was transparent with both the auditing firm and the University’s Officer of Compliance, who has been monitoring the COO’s calculations regularly. The Foundation plans to have this situation rectified within 90 days by hiring a second accountant who will begin his/her responsibilities hopefully by January 2023.

Chair Blake Paul inquired if the conflict could be resolved more quickly. Kathy Bowman stated the internal hiring process is underway in hopes of posting the position both internally and externally within one to two weeks. She noted recent searches have taken several weeks to receive qualified candidates and then the interview/hiring process took an additional 2-4 weeks. With the addition of the Thanksgiving and Christmas holidays, a January 1 start date is realistic. In the meantime, Kathy assured the University’s Officer of Compliance will continue to work closely with Larry Locke to ensure the accuracy of calculations and postings.

VII. **Closing Remarks and Adjournment**

With no further business to discuss, this meeting of the Florida Polytechnic University Foundation Policy and Governance Committee adjourned at 9:23 AM.