



New College of Florida Board of Trustees Audit and Compliance Committee Meeting Minutes for September 30, 2024

1. Call to Order

Chair Karp called the meeting to order at 2:32p.m. over a Zoom conference call. Roll call confirmed that a quorum was present. The Public Notice of the meeting was confirmed by Alexander Tzoumas.

Committee Members in Attendance:

Lance Karp, Chair
Matthew Spalding
Debra Jenks, Ex Officio

Committee Members Not in Attendance:

Mark Bauerlein
Ron Christaldi

Other Board of Trustees in Attendance:

Olivia Mikkelsen
Patrick McDonald

Participating University Staff: President Richard Corcoran; Chief Audit Executive (CAE)/Chief Compliance Officer Alexander G. Tzoumas; VP for Legal Affairs David Brickhouse; Chief of Staff Christie FitzPatrick; Chief Human Resources Officer Erika Worthy; and Controller Melissa Shippee.

Participating Board of Governors Staff: Inspector General and Director of Compliance Julie Leftheris

2. Consideration of Draft Minutes from June 7, 2024 Meeting

A. Committee Action: The June 7, 2024 Audit and Compliance Committee meeting minutes were submitted for approval. Motion to approve by Trustee Jenks and second by Trustee Spaulding. Motion was unanimously approved.

3. Review the results of the New College (NC) Foundation Unrestricted Fund Deficit Investigation

A. Information Item: Review the findings of the NC Foundation unrestricted fund deficit and borrowing of restricted funds investigation. The CAE provided an overview of the report findings and walkthrough several of the recommendations. Trustee Spaulding asked Trustee Karp to present the report findings to the Board of Trustees and answer the questions previously raised by the Board of Trustees with regard to the NC Foundation. Trustee Karp agreed. Trustee Spaulding also asked for clarification as to whether the state of affairs detailed in the report was attributable to the present or past NC Foundation administration. The CAE explained the deficit in unrestricted funds and use of restricted funds for administrative overhead was attributable to the prior NC Foundation administration.

4. Review State of Florida Auditor General Operational Audit Report

A. Information Item: The CAE presented a summary of the results of the Attorney General's Office Audit of the university's operations for the period from January through December 2022. The CAE discussed the remediation efforts in place to cure the findings and the materiality of each finding.



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- 5. Review FY 2023-24 Annual Report of Office of Internal Audit and Compliance Activities**
 - A. Information Item:** The CAE presented the activities of the Office of Internal Audit and Compliance during FY 2023-24. The activities included risk management, internal audit, compliance, investigations, and management assists.

- 6. Review the Annual Fraud Risk Assessment Update**
 - A. Information Item:** The CAE presented the results of the annual Fraud Risk Assessment update using the Association of Certified Fraud Examiners framework. The Fraud Risk Assessment showed an improvement in risk mitigation effort by university management in several areas.

- 7. Review Annual Drug-Free Workplace Act Notice**
 - A. Information Item:** THE CAE presented the Office of Internal Audit and Compliance memo to the university community in compliance with the requirements of the Drug-Free Schools and Communities Amendments of 1989 and the Drug-Free Workplace Act of 1988. The memo was intended to increase student awareness of the hazards of drugs and alcohol use.

- 8. Review the Consumer Information Website Compliance Review**
 - A. Information Item:** The CAE presented the results of the Consumer Information Website Compliance Review. The CAE noted efforts were being made to enhance the university's Conflict of Interest regulation.

- 9. Review the Board of Governor's Office of Inspector General and Director of Compliance Report on Grandparent Tuition Waivers Program Compliance**
 - A. Information Item:** The CAE reviewed the results of the Office of Inspector General's Compliance Review of the university's Grandparent Tuition Waivers program. The CAE pointed out there were zero findings and the Provost was engaged in increasing the awareness of the program to encourage more out-of-state students to enroll.

- 10. Review the Specialty License Plate & Voluntary Contribution Audit**
 - A. Information Item:** The CAE recognized the reinstatement of the Specialty License Plate program for the university and noted there were zero finding from the audit performed by the Specialty License Plate & Voluntary Contribution Audit Unit of the Florida Highway Safety and Motor Vehicles.

- 11. Review New College Foundation's Rothschild Investment Manager Internal Control Environment Report (Tabled at prior AC meeting)**
 - A. Information Item:** The CAE presented the results of an evaluation of Rothschild's Internal Control Environment report as requested by Foundation management.

Other Business

Adjournment