



Item: AF: A-M

AUDIT AND FINANCE COMMITTEE

Tuesday, March 15, 2016

SUBJECT: ROLL CALL AND APPROVAL OF THE DRAFT MINUTES FOR THE DECEMBER 15, 2015 AUDIT AND FINANCE COMMITTEE MEETING.

PROPOSED COMMITTEE ACTION

Initiate roll call to document member participation to ensure appropriate quorum numbers are achieved and to approve the minutes of the December 15, 2015 Audit and Finance Committee meeting.

COMMITTEE MEMBERS

Mr. Thomas Workman, Jr., Chair	_____
Mr. Daniel Cane, Vice Chair	_____
Mr. Anthony Barbar (ex-officio)	_____
Ms. Mary Beth McDonald	_____
Mr. Abdol Moabery	_____
Mr. Robert Rubin	_____
Mr. Robert Stilley	_____

BOT MEMBERS

Dr. Christopher Beetle	_____
Mr. Shaun Davis	_____
Dr. Michael Dennis	_____
Ms. Kathryn Edmunds	_____
Dr. Jeffrey Feingold	_____
Dr. Julius Teske	_____



**AUDIT AND FINANCE COMMITTEE
DRAFT MINUTES
Tuesday, December 15, 2015**

AF: A-M. Roll Call and Approval of Minutes for the October 20, 2015 BOT Audit and Finance Committee Meeting.

Mr. Thomas Workman, Chair of the Board of Trustees (BOT) Audit and Finance Committee (AFC), convened this meeting at 2:05 p.m. Roll call commenced with the following Committee members, in addition to Mr. Workman, participating: Mr. Daniel Cane, Vice Chair; Mr. Anthony Barbar (ex-officio), Ms. Mary Beth McDonald, Mr. Robert Rubin and Mr. Robert Stilley.

Other Trustees attending the meeting included: Dr. Christopher Beetle, Dr. Michael Dennis, Dr. Jeffrey Feingold and Dr. Julius Teske.

The following University officials participated: Dr. John Kelly, President; Ms. Dorothy Russell, Vice President for Financial Affairs; Mr. Morley Barnett, Inspector General; and, Mr. J. Craig Dunlap, President - Dunlap & Associates, Inc.

Upon call, a motion was made and seconded to approve the minutes of the October 20, 2015 AFC meeting without change or correction. **The motion passed unanimously.**

AF: A-1. Request for Approval of the Audit & Finance Committee Charter.

Ms. Russell explained that every two years the Audit & Finance Committee Charter is to be reviewed and updated as necessary. To continue this biannual review, in June 2015 members were asked to review the Charter and provide comments and/or suggested changes to improve the document. The results of the comments and suggestions indicate overall satisfaction with the Charter with slight modifications. Two versions were provided one being a red-lined version and one a final version.

A motion was made and seconded to recommend BOT approval of the updated Audit and Finance Committee Charter. **The motion passed unanimously.**

AF: A-2. Request for Approval of Resolution Authorizing the Refinancing by Florida Atlantic University Finance Corporation of Division of Bond Finance Series 2003, Series 2006A and Series 2006B Bonds.

Ms. Russell provided an update to the BOT on the progress of the refinancing of Series 2003, 2006A and 2006B Bonds. The board was made aware of the desire to refinance these bonds at the retreat in September and subsequently, FAU engaged a financial advisor, Dunlap & Associates, Inc., to prepare and distribute proposals; and bond counsel, Bryant, Miller & Olive will review the legal structure. The Finance Corporation (FAUFC) solicited proposals in October and approved Bank of America Merrill Lynch as Senior Manager and Morgan Stanley as Co-manager at their November 20, 2015 meeting. Ms. Russell noted that the long term savings was originally estimated at \$4.7M, but is presently estimated higher at \$5.3M.

Upon question, Mr. Dunlap explained that even if rates are raised by the Federal Reserve before closing, there is still plenty of room for a significant savings and rates are not locked in yet. Ms. Russell then briefly read through the criteria used to select Bank of America Merrill Lynch, which was included in the back up documentation.

Without further question, a motion was made and seconded to recommend BOT approval of Resolution Authorizing the Refinancing by FAUFC of Division of Bond Finance Series 2003, Series 2006A and Series 2006B Bonds. **The motion passed unanimously.**

AF: A-3. Request for Approval of the 2016 Audit and Finance Committee Work Plan.

Ms. Russell presented the 2016 Work Plan for the Audit and Finance Committee, which has been consolidated to show the new approved committee and full board dates and the items that will be presented.

A motion was made and seconded to approve the 2016 Audit and Finance Committee Work Plan. **The motion passed unanimously.**

AF: I-1. Review Audit Report FAU 15/16-1, Performance Based Funding Data Integrity as of September 30, 2015.

Mr. Barnett explained that the Board of Governors (BOG) has requested that an audit be conducted to evaluate the controls and processes established by state universities as part of its Strategic Plan and governance responsibilities. Management has agreed to implement a single recommendation by August 2016. In addition, the BOG has requested that a data integrity certification form be signed by the president and BOT chair.

With no questions or comments put forth, a motion was made and seconded to adjourn the meeting. **The meeting was adjourned at 2:20 p.m.**