

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.
Finance and Audit Committee
Meeting Minutes
September 18, 2014

A meeting of the Finance and Audit Committee of the Citrus Research and Development Foundation, Inc. was held on Thursday, September 18, 2014. The meeting was properly noticed and recorded. The meeting was called to order at 12:05 pm by Vice Chairman Larry Black. Roll was called and a quorum was present. Committee members participating were: Mr. Larry Black; Mr. Joe Davis, Jr.; Dr. Joe Joyce (telephone); and Mr. Bob Stambaugh (Telephone). Mr. Hugh Thompson did not participate. Others participating were: Dr. Harold Browning; Ms. Brandi Goller; Ms. Diane Johnson; Mr. Ed Kelly (Telephone) and Mr. Lee Wheeler.

Mr. Davis moved to accept the minutes of the June 6, 2014 meeting. Seconded by Dr. Joyce, the motion passed unanimously.

Mr. Ed Kelly from University of Florida Investment Corporation (UFICO) gave an update of CRDF's investment portfolio since its inception. The presentation recapped the investments through June 30, 2014. Since the end of the year, a drawdown of approximately \$1.8 million leaves a balance of approximately \$1.2 million in UFICO. The funds were re balanced to the 40% Enhanced cash and 60% Short Term Fixed Income.

Mr. Wheeler from Bunting Tripp and Ingley, LLP presented the draft FY 2013-14 CRDF Audit. An updated draft was provided to committee members at the meeting. Included were cosmetic changes combining prior and current years on one page for easier comparison. Mr. Wheeler also explained that only \$500,000 of the Coca Cola donation of \$1.5 million was shown in this year because the contract has a caveat that remaining payments are dependent on further review of current projects by Coca Cola. Mr. Black ask that Mr. Wheeler add further explanation of the negative balance for Florida Department of Citrus under Note C – Unexpended Contract Funds. The committee also ask that a note be included explaining the unexpended balance of approximately \$331,000 from the 2013-14 Legislative funds.

Mr. Davis moved to present the draft audit with the modifications discussed today to the Board of Director's for approval. Seconded by Mr. Stambaugh, the motion passed unanimously.

Because the Legislative funds were not fully expended this year, Dr. Browning is working on a solution for future year funding. This year's funding is \$3.5 million and the goal will be to expend these funds in the first three quarters of the year. If the projects are under-expended at close of the third quarter, other projects can be added to make up for the residuals in the fourth quarter.

Dr. Browning updated the committee on the status of the UF internal operational audit: CRDF has returned the detailed questionnaire to the UF Office of Internal Audit. The internal auditors had a few follow up questions, which have now been answered and returned to them. A date has not been set for the site visit but Dr. Browning will keep the committee apprised as details develop.

With no new business to report, the meeting was adjourned at 1:25 pm.

Minutes submitted by Diane Johnson