



Board of Trustees Response to Joint Legislative Auditing Committee

PRESENTED BY
Division of Audit and Compliance
Richard Givens, Vice President
Thursday, March 8, 2018



Response to Joint Legislative Auditing Committee

Section 11.45(7), FS provides that the Joint Legislative Auditing Committee may require the BOT to provide a written explanation of the status of corrective actions taken when an audit finding has been reported in three successive operational audit reports.

The University has been requested to provide a written explanation regarding two findings:

- Intercollegiate athletic programs – Deficit Cash Balances
- Textbook affordability
- The written response is being prepared to provide a complete explanation of the corrective actions taken, the current status, and further steps to be taken to address the findings. Current status of findings and steps being taken to address the findings are included in the letter included in the materials:
- Athletics deficit being addressed through:
 - Increase revenues
 - Continuing efforts in the investing in champions program
 - Advertising sales
 - Tighten internal controls over expenses
 - Train athletics staff in fiscal operations
 - Establish oversight committee
 - Develop strategic plan





Response to Joint Legislative Auditing Committee (continuation)

- Provide top-down accountability
 - Continue collaboration with BOG staff to get input and concerns.
- Textbook affordability – has been corrected. DAC will monitor continued compliance each semester to determine textbooks have been adopted within the requirement of law.

The response is due March 12, 2018. If the Committee determines that the written statement is not sufficient, actions that could be taken include:

- Require the chair of the board to appear before the committee;
- Refer the matter to the Board of Governors to proceed in accordance with s. 1008.322, which provides:
 - The Board of Governors may order compliance within a specified timeframe. If the Board of Governors determines that the university board of trustees is unwilling or unable to comply with any law or Board of Governors' rule or regulation or audit recommendation within the specified time, the Board of Governors may initiate any of the following actions:
 - (a) Withhold the transfer of funds to the University until the university complies;
 - (b) Declare the university ineligible for competitive grants disbursed by the Board of Governors;
 - (c) Require monthly or periodic reporting on the situation related to noncompliance until it is remedied;
 - (d) Report to the Legislature that the state university is unwilling or unable to comply and recommend action to be taken by the Legislature.





Response to Joint Legislative Auditing Committee (continuation)

- Questions?





“At FAMU, Great Things Are Happening Every Day.”

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