



# Audit and Compliance Committee Meeting



March 3, 2021

**FAMU**

FLORIDA A&M UNIVERSITY  
**OFFICE OF COMPLIANCE  
AND ETHICS**



**Activity Report:  
March 2021**

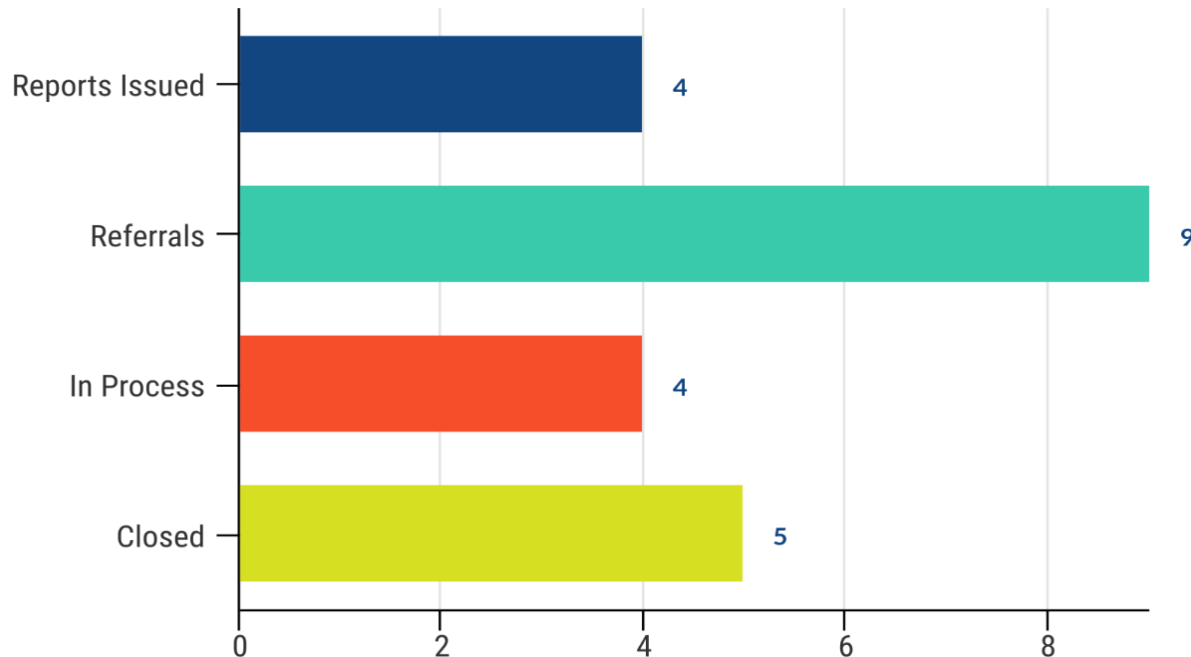


**Program Highlights**

## THE BREAKDOWN

Conflict of Interest  
 Mandatory Training  
 Compliance Reviews and Follow Ups  
 Spring Restart

### Investigation Activities



### Mandatory Training

-  January 2021- Communication plan kickoff; integration onto online platform.
-  February 2021- Troubleshoot active directory
-  February 2021- Content completion
-  March 2021- Rollout
-  April 2021- Accountability and Outreach Phase

Continued advisory services regarding the Spring Restart.

Communication to increase awareness of upcoming FAMU Fundamentals: Mandatory Training 2021.

Secured consulting firm, Huron, to provide an external review of the FAMU Compliance and Ethics Program.

Continued work with the Research work group to amend policies and processes to comply with federal and state expectations surrounding foreign influence, including updating BOT 2005-14.

OCE included in the Information Technology Steering Committee (ITSC) which provides oversight and recommendations for the strategic direction of Information Technology Services.



**FAMU**

FLORIDA A&M UNIVERSITY  
**DIVISION OF AUDIT**



**Audit and  
Investigative  
Follow-Up**



**External Audits &  
Program Reviews**



**Internal Controls  
Training Update**



**Internal Controls  
Assessment**



**Fraud Regulation &  
Policy**



**Division of Audit Update**

# Audit Follow-up: Open Issues

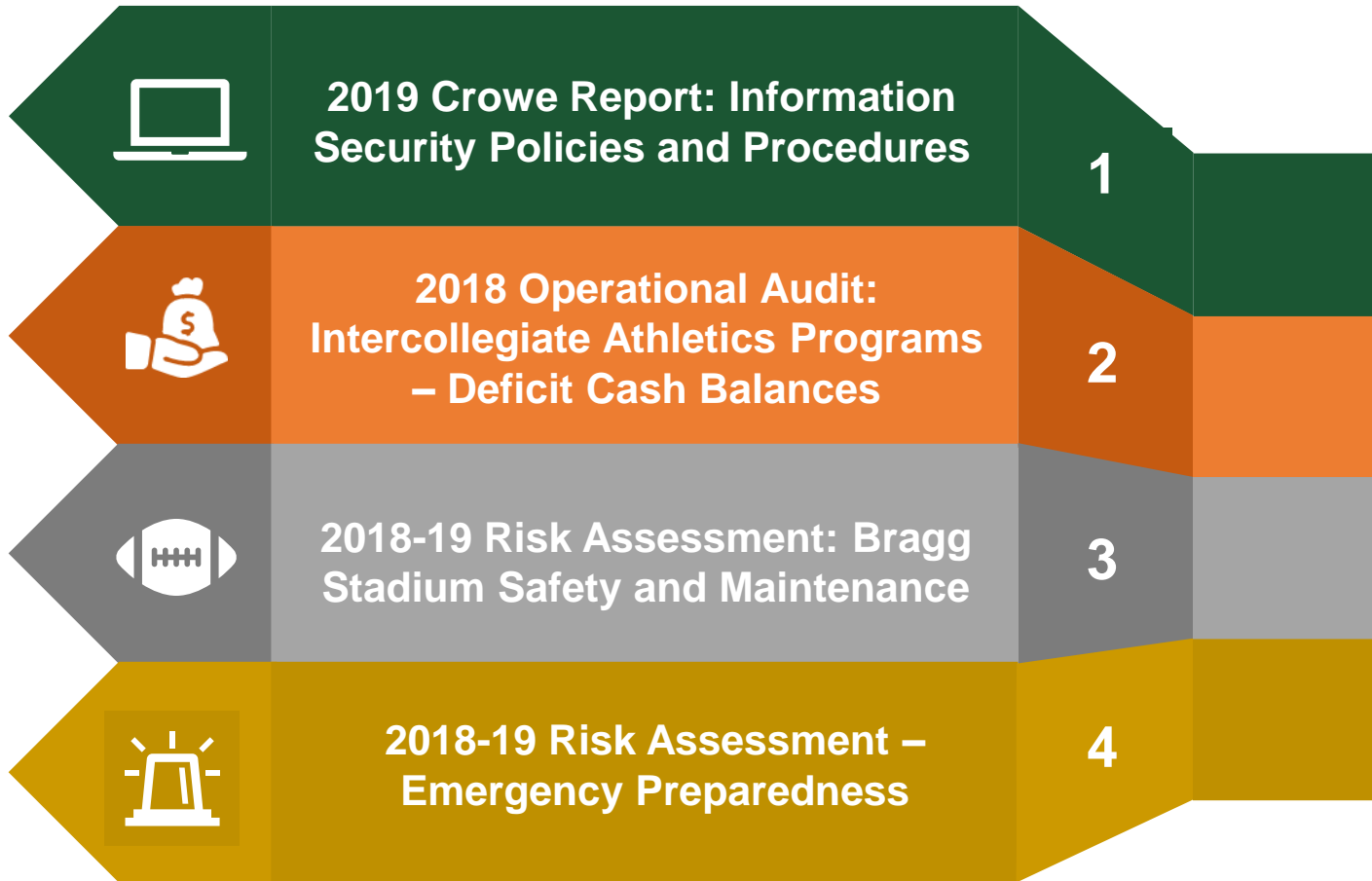
- 

**OPEN – Low Risk**  
 Policies – Pending BOT Approval  
 March 4, 2021  
 Procedures – Anticipated Completion  
 June 2021
- 

**OPEN – High Risk\***  
 Balanced Budget – FY 2019, 2020  
 Repayment Plan Extended Through 2045  
 Oversight: BOT, BOG, and Management
- 

**OPEN – Medium Risk**  
 \$10 Million Available in 1/2021 – BluePrint  
 Phase 1: Design & Pricing  
 Certified: Press Box & Seating for 2021
- 

**OPEN – High Risk**  
 Hiring: Emergency Management Director  
 Developed a 3-Year Financial Plan  
 Hurricane Shelter - Grants (i.e. FEMA)



\*While management has taken the appropriate actions to reduce risk in this area, the current high risk ranking is a result of residual risk from the legislative review, repayment extension, and uncertainties of the continued impact of the pandemic on athletic operations.

# Audit Follow-up: Closed Issues

05

**CLOSED – Medium Risk**

Strengthened Controls and Monitoring Around Lab Safety and Chemical Purchasing



2018-19 Risk Assessment: Hazardous Lab Chemicals

5

06

**CLOSED – Low Risk**

Attendance Workshop: 7/2020  
Attendance and Grades Workshop: 8/2020  
DRS K-12 Attendance Committee



FAMU DRS FEFP/FTE Student Enrollment (8/2020): 0351-01 Complete and Accurate Student Attendance Records

6

07

**CLOSED - Low Risk**

Attendance Workshop: 7/2020  
Mid-Year Monitoring: 1/2021




FAMU DRS FEFP/FTE Student Enrollment (8/2020): 0351-02 Reported Student Course Schedules Not in Agreement with Bell Schedules

7

08

**CLOSED – Low Risk**

Increased Share File Capacity  
Attendance Records



FAMU DRS FEFP/FTE Student Enrollment (8/2020): 0351-03 Retention of Student Records

8

# Audit Follow-up: Closed Issues

09

**CLOSED – Low Risk**

Attendance Workshop: 7/2020  
Mid-Year Monitoring: 1/2021

10

**CLOSED – Low Risk**

Reporting Best Practices Implemented  
ESOL Training Complete  
Mid-Year Monitoring: 1/2021

11

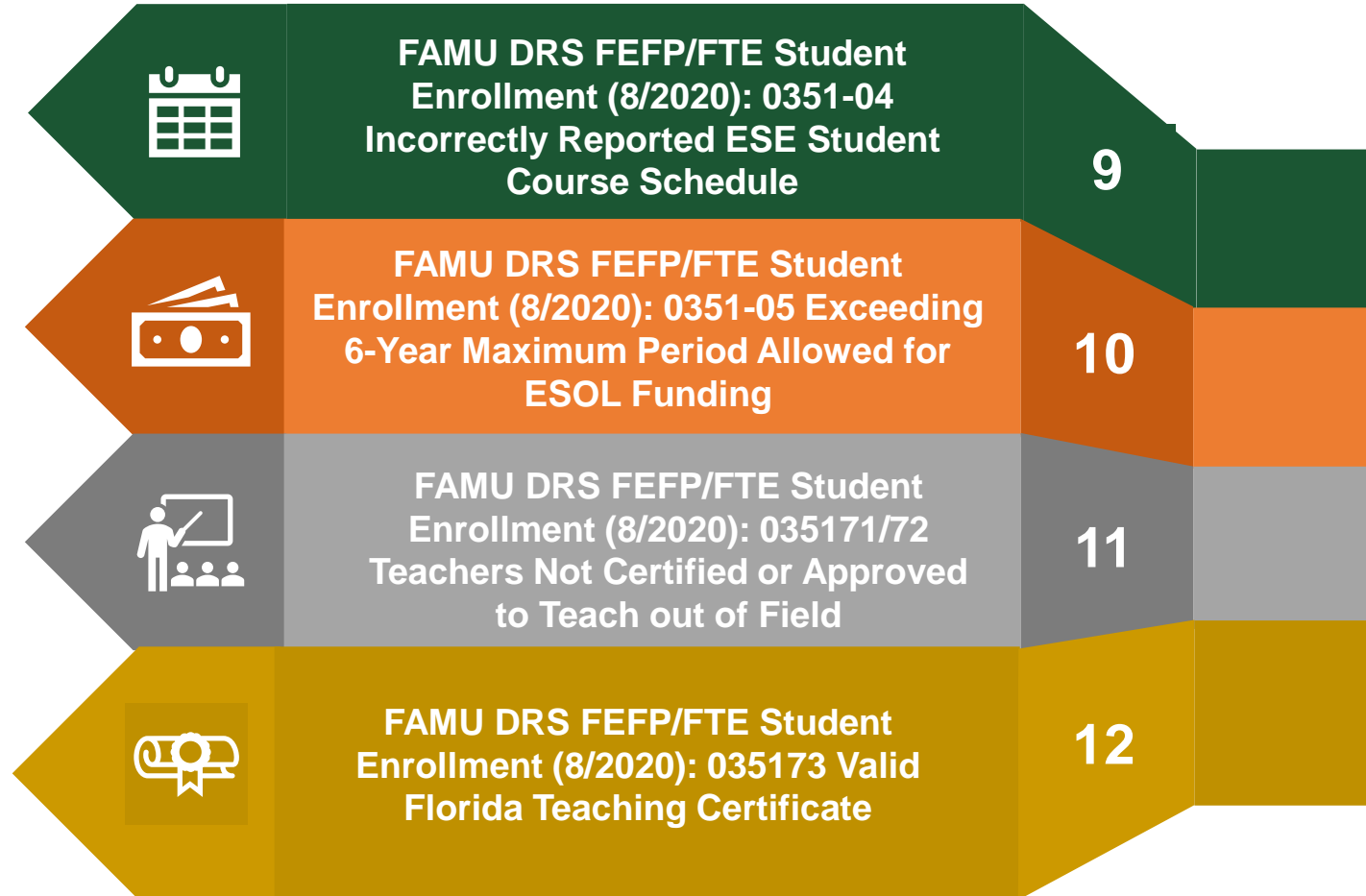
**CLOSED – Low Risk**

Teachers Identified on DRS Website  
Parent Notification Letter  
Teacher “Agreement to Earn” Letter  
Mid-Year Monitoring: 1/2021

12

**CLOSED – Low Risk**

Adjunct Instructor Identification  
Adjunct Instructor Documentation on  
File with Human Resources





# Investigative Follow-Up

## 1 Open Internal Control Recommendation

### 19-08-002 CAFS – Improper P-card Use

Recommendation:

P-card, Travel, and Expense Training for travelers, P-card holders, and approvers

#### Low Risk

Continues to be a **Low Risk** item as travel has been reduced by the University



**Travel and Expense Training**  
Training is planned for March 9, 2021

**P-card Training**  
Training completed on October 8, 2020

# External Audits: Auditor General

## Florida Bright Futures Scholarship Program

Report No. 2021-044 concluded  
No compliance deficiencies  
Published: 10/2020

## Compliance and Internal Controls Over Financial Reporting and Federal Awards

Period: FY 2019-2020  
Exit: 02/16/2021  
Report Anticipated: March 31, 2021



## FAMU Financial Statement Audit

Period: FY 2020 – 2021  
Anticipated Start: April 2021

## FAMU Operational Audit

Period: 1/2020 -12/2020  
Anticipated Start: April 2021

## FAMU Financial Statement Audit

Period: FY 2019-2020  
Anticipated Exit: April 2021

# External Reviews: Sponsored Programs and Academic Programs



## National Oceanic and Atmospheric Administration (NOAA)

- Published: November 12, 2019
- Administrative Review: December 23, 2020
- Outcome: No Issues Identified



## College of Education

- Published: May 15, 2020
- Outcome: No Issues Identified



## School of Journalism and Mass Communications

- Published: October 1, 2018
- Site Visits: February 4 – 7, 2018 and January 14 -15, 2020
- Outcome: No Issues Identified



## Computer Science (BS)

- Published: August 26, 2020
- Site Visit: October 13 - 15, 2019
- Outcome: No Issues Identified



FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY

# External Audits & Program Reviews: Calendar

Department of  
Financial Services

Florida Auditor  
General

Direct Support  
Organizations

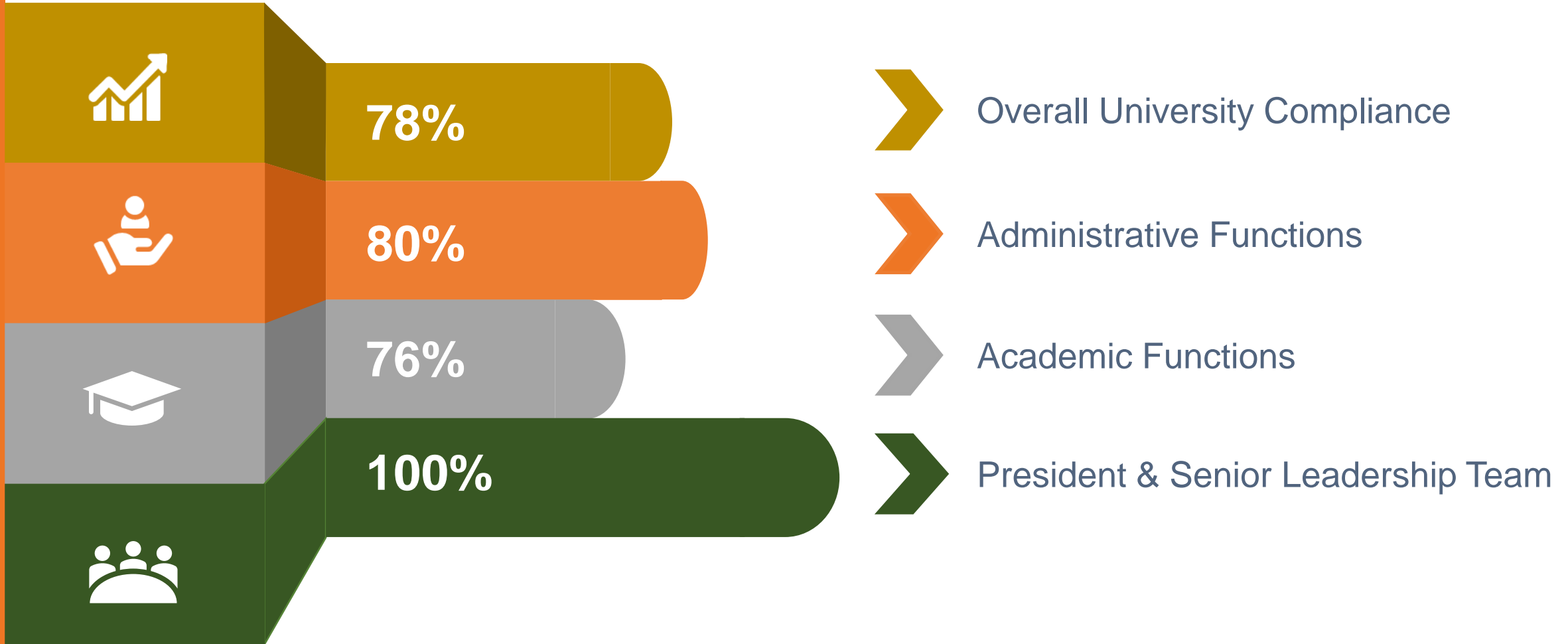
Sponsored  
Programs

Academic  
Programs

Name of Audit or Entity	Frequency	Type (Financial, Operational, or Compliance)	Date of Last or Upcoming Audit or Review	Conducted By	Report Issued to (Legislature, Governor, Board, President, Vice President, Executive Director)
Comprehensive Annual Financial Report	Annual <sup>1</sup>	Combination	February 2020 <sup>2</sup>	Department of Financial Services	Legislature and Governor
FAMU Financial Statement Audit	Annual	Financial	March 2021 <sup>3</sup>	Auditor General	Legislature
FAMU Operational Audit	Periodic <sup>4</sup>	Operational	April 2021 <sup>5</sup>	Auditor General	Legislature
Compliance and Internal Control Over Financial Reporting and Federal Awards	Annual <sup>6</sup>	Combination	March 2020 <sup>7</sup>	Auditor General	Legislature
FAMU Developmental Research School	Periodic	Operational	August 2020 <sup>8</sup>	Auditor General	Legislature
Florida Bright Futures Scholarship Program	Periodic	Operational	October 2020 <sup>9</sup>	Auditor General	Legislature
FAMU Foundation, Inc Operational Audit (DSO)	Every 3 years	Operational	April 2019	Clifton Larson Allen, LLP	Foundation Board of Directors
FAMU Foundation, Inc Financial Audit (DSO)	Annual	Financial	October 19, 2020	Watson Rice Accountants and Advisors	Foundation Board of Directors
FAMU National Alumni Association Audit (DSO)	Annual	Financial	October 23, 2020	Grayson Accounting and Consulting	National Alumni Association Board of Directors
FAMU Rattler Boosters, Inc. Audit (DSO)	Annual	Financial	October 16, 2020	Grayson Accounting and Consulting	Rattler Boosters, Inc Board of Directors
FAMU Intercollegiate Athletics Audit (FY 2019) <sup>10</sup>	Annual	Financial	October 15, 2020	James Moore Certified Public Accountants and Consultants	FAMU Board of Trustees <sup>11</sup>

# Internal Controls Training Update

August 2020 - February 2021



# Internal Controls Assessment



## Assessment Training

11/2020 – 2/2021

I/C Assessment training was provided as part of Assessment Day and to individual divisions



## Department Assessments

11/2020 – 2/2021

Each department will complete a control assessment and submit to their Vice President



## Division Assessments

3/2021 – 4/2021

Each division Vice President will complete the division control assessment & action plan



## Assurance Statement

5/2021

The President will develop the University Assurance Statement

# Fraud Regulation & Policy

➤ **FLBOG Fraud Regulation**

March 2021: A new regulation requiring each institution to develop a fraud regulation.

---

➤ **Anti-Fraud Framework**

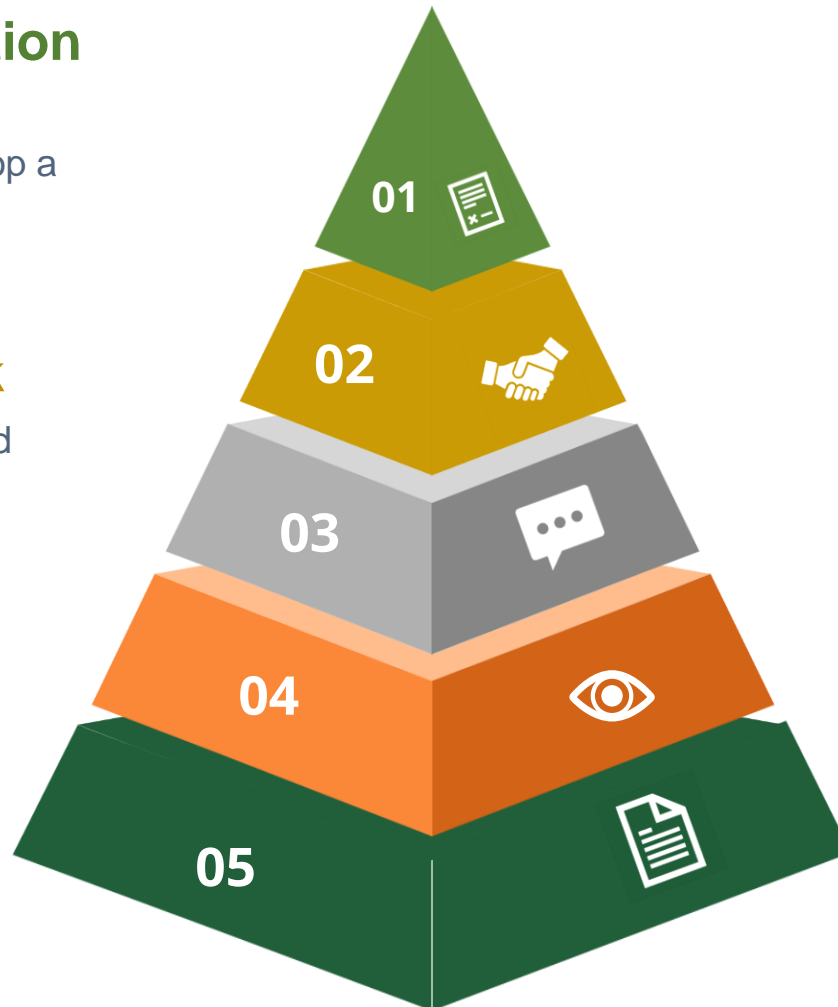
Management Commitment – Fraud Risk Assessment – Strategy with Control Activities – Investigation Responsibility

---

➤ **Alert Process**

Internal (BOT, Personnel) – External (Notification to Board of Governors)

---



➤ **Periodic Review**

5 year Regulation Review  
Annual BOT Notification of Antifraud Framework Efficacy

---

➤ **FAMU Fraud Policy**

Updated to include expanded requirements outlined in FLBOG regulation.

---

# Division of Audit Update

## CRRSAA

DoA will be conducting reviews of expenditures and reporting for the Coronavirus Response & Relief Supplemental Appropriation Act of 2021

## Operational Audit

DoA has been working with management to prepare for the audit and will serve as a liaison with the Auditor General when the audit begins in April 2021.



## Quality Assurance Review

DoA will be conducting an internal QAR self-assessment to begin preparing for the 2022 external peer review.

## Internal Audit Awareness Month

In May 2021, DoA will be hosting a variety of events and activities designed to raise awareness of the internal audit function, internal controls, fraud and risk.



# Questions & Answers



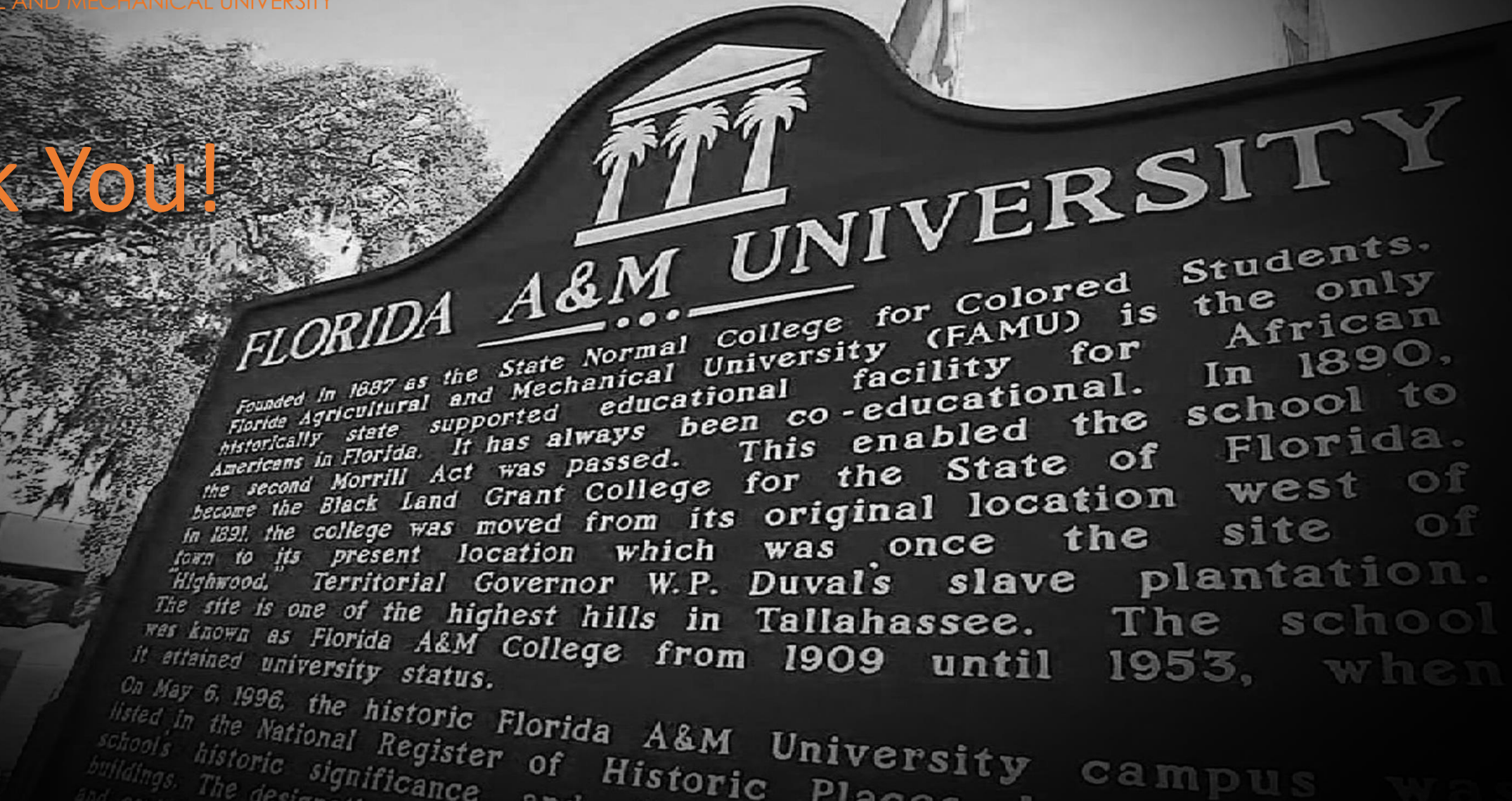
**FAMU**

DIVISION OF  
**AUDIT**

Accountability ♦ Integrity ♦ Efficiency

FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY

Thank You!



# FLORIDA A&M UNIVERSITY

Founded in 1887 as the State Normal College for Colored Students, Florida Agricultural and Mechanical University (FAMU) is the only historically state supported educational facility for African Americans in Florida. It has always been co-educational. In 1890, the second Morrill Act was passed. This enabled the school to become the Black Land Grant College for the State of Florida. In 1891, the college was moved from its original location west of town to its present location which was once the site of "Highwood," Territorial Governor W.P. Duval's slave plantation. The site is one of the highest hills in Tallahassee. The school was known as Florida A&M College from 1909 until 1953, when it attained university status. On May 6, 1996, the historic Florida A&M University campus was listed in the National Register of Historic Places for its school's historic significance and buildings. The design of the campus was