

**Florida Agricultural and Mechanical University
Board of Trustees**



Audit & Compliance Committee Meeting

Trustee Craig Reed, Chair

Grand Ballroom

Thursday, February 16, 2023 – 8:30 AM

Committee Minutes

Members Present Trustee Craig Reed (Chair), Trustee Ann Marie Cavazos, Trustee Michael Dubose, and Trustee Belvin Perry (Vice Chair)

Chair Craig Reed called the meeting to order. Ms. Kimberly Taylor called the roll. A quorum was established. Chair Reed acknowledged two (2) Action Items:

- Minutes: Consideration of Approval – December 8, 2022; and
- Performance-based Funding Data Integrity Certification.

The first action item – Chair Reed acknowledged consideration of the Thursday, December 8, 2022, Audit and Compliance Committee Meeting Minutes. A motion was made by Trustee Belvin Perry, Jr., and seconded by Trustee Ann Marie Cavazos. The motion carried and the December 8, 2022, minutes were approved.

The second action item – Chair Reed requested VP Maleszewski present two related items. First, the Performance-based Funding Data Integrity Certification document for which the Board of Governors annually requires both the Board Chair and the President to sign after Board of Trustees approval. The second item is the Division of Audit's Performance-based Funding Data Integrity Audit which serves as a basis for Chair Lawson's and President Robinson's approval of the Performance-based Funding Data Integrity Certification document. VP Maleszewski indicated that the audit had no adverse audit findings and the Division of Audit recommends that the Board Chair and President sign the Data Integrity Certification with its associated representations without modification.

Chair Reed asked for a motion to approve the Performance-based Funding Data Integrity Certification document. A motion was made by Trustee Belvin Perry, Jr., and seconded by Trustee Ann Marie Cavazos. A vote was called, the motion carried, and this item was included in the consent agenda for Full Board approval consideration.

Informational Items:

The first Informational Item – Chair Reed acknowledged Chief Compliance Officer (CCO) Calhoun to present the Office of Compliance and Ethics updates. CCO Calhoun reported on the upcoming FAMU Fundamentals mandatory training which rolls out in

March 2023. She provided a summary and update on investigative activities, and reviewed key initiatives related to Foreign Influence.

Trustee Dubose inquired about whether there were any systemic fraud or conflicts of interest issues. COO Calhoun and VP Maleszewski responded that processes are in place and there were no specific systemic fraud-related issues. COO Calhoun focused on the need for continued education on conflicts of interest and commitment as well as open lines of communications between employees and managers. Trustee Dubose inquired about cybersecurity and urged continued vigilance on this important topic.

Trustee Cavazos inquired regarding the processes for handling Investigations and how outcomes are made known to complainants. COO Calhoun indicated that once an investigative report is generated, there is a distribution list, and the complainant and the respondent are on that distribution list. She further clarified that complainants can contact her office with any specific inquires and that there is an open line of communication.

COO Calhoun provided an update regarding staffing of the Athletics Compliance function which currently has six incumbents with whom she collaborates with to provide enhanced Athletics compliance, services, and support. COO Calhoun indicated that the target date for offer employment on the remaining position is March 2023 and that the position has been advertised. The six (6) members are:

1. Brittney Johnson, Senior Associate Athletic Director for Compliance/Senior Woman Administrator;
2. Lori Goodart, Associate Athletic Director for Compliance, Financial Aid and Benefits;
3. Kelley Bickham, Coordinator, Athletics Compliance (Certification and Eligibility);
4. Jerry Goodson, Coordinator, Athletics Compliance (General Compliance);
5. Tia Huie, Coordinator, Athletics Compliance (Financial Aid and Benefits); and
6. Alexis Davenport, Graduate Assistant, Athletics Compliance.

COO Calhoun then reported on "What's Next with OCE," highlighting the implementation of external review recommendations; FAMU Fundamentals 2023 communications and training module rollout; and the Athletics Compliance Onboarding and Process Review.

The second Informational Item – Chair Reed acknowledged VP Maleszewski and AVP Melton to present the following informational items:

- Audit and Investigative Follow-up;
- External Audit Updates; and
- Division of Audit Update

AVP Melton, reported on three audit follow-up items. The one closed item related to Federal Contracts and Grants Disclosures. One of the two remaining open items related to monitoring follow-up on the resolution of ADA issues with Bragg memorial Stadium. AVP Melton noted that this item is considered low risk as many of the safety and ADA issues have been addressed by stadium renovations and other interim measures have been taken (e.g., ADA portable restrooms). The remaining open item is

noted as high risk and relates to Emergency Preparedness and the need for a budget and dedicated hurricane shelters.

VP Maleszewski then presented on Investigative Follow-up, highlighting that 8 of the 15 items being tracked (all related to Athletics) have been successfully addressed since the November 2022 report. The remaining 7 items being tracked are underway with 4 of those items being 90% or more complete. VP Maleszewski brought attention to the need for Athletics to work with the CFO to address student travel (Per Diem) and tax reporting for apparel when it meets the IRS definition of a benefit/perquisite.

VP Maleszewski presented an external audit update highlighting the National Alumni Association for their work to complete the final corrective actions recommended by CROWE in their review of all State University System Direct Support Organizations. He noted that the Florida Auditor General's annual Financial Statement audit is currently in fieldwork status with a report expected in March 2023. He then discussed that the United States Department of Education Elementary and Secondary School Emergency Relief und (ESSER) Governor's Emergency Education Relief Fund (GEER) Oversight and Review is in progress. Finally, the Athletics Action Plan independent review is in progress by Thomas, Howell, Ferguson with work on track.

VP Maleszewski acknowledged AVP Melton to provide an Enterprise Risk Management (ERM) update in her capacity as the University's Chief Risk Officer (CRO). CRO Melton provided an update on the establishment of a subcommittee to the Enterprise Risk Management Advisory Committee called the Risk Managers Subcommittee. This important subcommittee began meeting in January 2023 under Co-Chairs CRO Melton and COO Edington. The purpose of this subcommittee is to take traditional risk areas with vital health and safety issues impacting our students, faculty and staff daily.

CRO Melton, introduced and acknowledged Mr. Ashley Davis, Emergency Management Director for a *Risk Partner Spotlight*. Mr. Davis provided updates on FAMU ALERT; Pre-Event Contracts; FEMA Reimbursements; and Emergency Preparedness Training.

CRO Melton then reviewed key ERM update including the University-wide risk assessment; an upcoming Risk Bulletin on Talent Management; the Performance-base Funding metrics risk assessment; the Athletics risk dashboard; and the upcoming FAMU Fundamentals session on ERM.

VP Maleszewski wrapped up the informational items by providing a Division of Audit update focused on filling a staff auditor vacancy; the successful completion of the *Cybersecurity Maturity Model Certification Registered Practitioner* designation by Senior IT Auditor William Thomson; the election of Deidre Melton as the 2023 Audit Committee Chair for Leon County; and the completion of a Division of Audit Power Skills Lab on Control Self-Assessment.

As there was no further business, Chair Reed adjourned the Audit and Compliance Committee Meeting.