

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



**Audit, Risk and Compliance Committee Meeting
Chair White
Thursday, September 24, 2026**

Committee Minutes

Committee Members: Michael White (Chair), Chair; John Crossman (Vice Chair); Emery A. Gainey; Kenneth Jones; and Victor Young

Chair White called the meeting to order. The roll was called, and a quorum was established. Chair White announced three action items: approval of the prior meeting minutes, the revised Division of Audit Charter, and the Compliance and Ethics Program Plan.

ACTION ITEMS

Minutes – Chair White requested approval of the June 11, 2026, committee meeting minutes included in the materials. A motion was made and seconded by Trustee Jones. The motion carried without opposition, and the minutes were approved.

Division of Audit Charter – Vice President Joseph K. Maleszewski presented revisions developed through additional benchmarking against Board of Governors regulations and State University System peers. The revisions further align the Charter with the Global Internal Audit Standards and clarify audit, advisory, and investigative responsibilities, including investigations beyond formal whistleblower matters.

VP Maleszewski emphasized the Chief Audit Executive's administrative reporting to the President and functional reporting to the Board, with oversight principally through the Committee and continued direct access to the full Board and Board Chair. The Charter distinguishes management's responsibility to own risks, implement controls, and complete corrective actions from the Division's independent assessment role. It also clarifies coordination with Enterprise Risk Management, Compliance and Ethics, and other assurance providers, and strengthens Board oversight of strategy, resources, and quality assurance.

Chair White requested a motion to approve the revised Charter. Trustee Young made the motion, and Trustee Gainey seconded it. The motion carried without opposition, and the revised Division of Audit Charter was approved.

Compliance and Ethics Program Plan – Chief Compliance and Ethics Officer Rica Calhoun presented the Program Plan and an update on enterprise compliance and ethics, Equal Opportunity Programs, and Athletics Compliance. She described the University's cautious risk appetite regarding material compliance failures, discrimination, institutional trust, and information protection, while supporting innovation with appropriate safeguards.

Ms. Calhoun reported the following FY 2025–2026 activity:

- FAMU Fundamentals training was completed by 2,590 of 2,913 assigned employees, an 88.91 percent completion rate. Compliance and Balance programming reached 1,115 employees.
- The units received 126 cases, including 94 in Equal Opportunity Programs and 32 in the Office of Compliance and Ethics. EthicsPoint separately recorded 80 hotline reports, 36 of which were anonymous. Average closure times were 38 days for Equal Opportunity cases and 48 days for Compliance and Ethics cases.
- Compliance activities addressed AI and cybersecurity governance, research security and foreign influence screening, civil rights obligations, privacy and systems inventories, and evolving NCAA eligibility requirements.
- Huron's five-year external program review recognized foundational strengths and identified opportunities to strengthen governance authority, reliable data, ownership and tracking of management actions, staffing, and infrastructure.

Chair White requested recurring Athletics Compliance reporting, coordinated with Athletics Director Davis, beginning with the next Board meeting. He requested meaningful metrics to help the Board monitor developments and accountability in Athletics.

Trustee Young asked about risks associated with sunseting technologies, unaudited hardware, and port management. Ms. Calhoun deferred the technical details to Information Technology Services. General Counsel advised that the security discussion should occur in closed session. Chair White requested a closed session at the next meeting to provide a stronger briefing on cybersecurity and AI matters.

Trustee Young moved to approve the Compliance and Ethics Program Plan, and Trustee Crossman seconded the motion. The motion carried without opposition, and the Plan was approved. Ms. Calhoun confirmed that her informational update had been covered during this presentation.

INFORMATIONAL ITEMS

2026 Enterprise Risk Assessment

Chief Risk Officer Deidre Melton presented the University's top ten enterprise risks. She explained that the assessment supports governance and planning and identifies areas requiring coordinated attention, rather than indicating that the University is failing in those areas. The risks were:

1. Workday implementation and enterprise operational continuity;
2. Financial sustainability and resource alignment;
3. Workforce capacity, talent, and leadership;
4. Student success, enrollment, and performance-based funding;
5. Cybersecurity, technology, and data resiliency;
6. Campus safety, security, and emergency readiness;
7. Research growth, administration, and compliance;
8. Facilities, infrastructure, and deferred maintenance;
9. Regulatory, legal, political, and external policy risks; and
10. Student and employee mental health, wellness, and behavioral risk.

Ms. Melton noted that mitigation will require sustained time, resources, and coordination. She will work with executive leadership to refresh mitigation plans for the December Board meeting. Detailed cybersecurity and campus safety vulnerabilities and mitigation information would require closed-session discussion.

Chair White requested that the enterprise risks be mapped to the Board's committees and that executive owners provide regular updates at each Board meeting on their mitigation efforts. He emphasized that executive management, rather than the risk assessment function, is responsible for implementing mitigation actions.

Division of Audit Update

VP Maleszewski and Audit Director Trystal Wright provided updates on internal audits, corrective actions, external audits, investigations, quality assurance, the Annual Report, and the Strategic Plan.

Internal Audit Activities and Corrective Actions

- The IT Governance State of Cybersecurity Advisory and Grants Management Advisory were completed, each resulting in five recommendations. The grants engagement addressed formalization of processes, management oversight, and clarity of roles and responsibilities.
- The IT Access Management Control Advisory and Workday Implementation Advisory were in fieldwork. The access review addresses provisioning, deprovisioning, and privileged access; Workday work addresses implementation-related IT controls, with additional phases following the implementation timeline.
- The Performance-Based Funding Data Integrity Audit was in planning, with fieldwork anticipated in late October. The approved scope covers Fall 2025, Spring 2026, and Summer 2026 data supporting metrics 5, 6, 8A, and 10.
- A new Diligent-based corrective action dashboard tracks implementation status, due dates, overdue actions, and escalation. There were 70 open issues across 12 audit and advisory engagements assigned to eight executive owners. Information Technology Services had approximately 29 issues across five engagements; Finance and Administration had 14 related to the 2022 Procurement Advisory; Academic Affairs had 10 across two engagements.
- All corrective actions from the prior Post-Tenure Review Audit had been closed. Monthly reminders and coordination with management continue for remaining open actions.

VP Maleszewski noted President Johnson's commitment to reviewing outstanding actions with senior leadership and ensuring appropriate monitoring, resources, and timely remediation.

External Audit Activities

The Auditor General's FY 2025 financial statement audit provided an unmodified opinion with no identified compliance matters, but reported a material weakness in financial reporting controls following the prior year's significant deficiency. VP Maleszewski corrected dated slide information: investment accounting was current through August and bank reconciliations through July. The Controller's Office continued to add CPA capacity and work toward preparation of financial statements by September 30, with ongoing external accounting support.

Thomas Howell Ferguson was engaged for the Athletics NCAA agreed-upon procedures required for the annual January reporting cycle. Athletics was also discussing its financial

statement audit with Kaye Kendrick. Cybersecurity Maturity Model Certification work was progressing through secure enclave development and the next phase of conformance assessment.

Investigative Activities

The Division had six open investigations, including four carried forward and two external matters that were the oldest cases. VP Maleszewski reported improved timeliness in response to Board concerns. There were 58 open recommendations from 12 prior investigative cases across seven departments, with management actively pursuing corrective actions.

External Quality Assurance Review and Investigations Accreditation

The Division of Audit internal quality assessment determined that the Division conformed with applicable professional standards. The required five-year external quality assurance review will be performed by Kaye Kendrick, with contracting expected by October and primary fieldwork in February. Results will be reported directly to the Committee, including conformance conclusions and opportunities for improvement.

The Division was also pursuing accreditation of its investigative function through the Florida Commission for Law Enforcement Accreditation. Policies and procedures were being aligned with accreditation standards, with peer review and an external assessment anticipated during the fiscal year.

Annual Report and Strategic Plan

Ms. Wright presented the Annual Report for the fiscal year ended June 30, 2026, published September 16. It covers assurance, advisory, investigative, follow-up, and external audit coordination work during institutional transition. Highlights included Charter modernization, the internal quality assessment, accreditation readiness, improved investigative performance, fraud prevention and ethics outreach involving 180 participants, Internal Audit Awareness Month communications, and staff certifications. Submission to the Board of Governors Office of Inspector General was planned following the Board meeting and before the September 30 deadline.

Ms. Wright described the revised Strategic Plan's alignment with the University's strategic direction, the President's five pillars, SUS 30, performance-based funding, and R1 aspirations. Focus areas include professional excellence and external validation; stronger investigations; data analytics and responsible AI; staff capability, credentials, and succession readiness; Board risk reporting; and management accountability for corrective actions.

Measures include at least a 25 percent reduction in investigation cycle time, investigations completed within standards, an annual fraud risk review, maintenance of eligible staff certifications, at least four annual Board risk briefings, and at least 90 percent of recommendations implemented within agreed timelines, with fewer repeat findings. Education and awareness activities will continue for internal audit, fraud prevention, and cybersecurity.

Chair White requested measurable reductions in outstanding corrective actions in the areas overseen by CIO Seniors and COO Lawson before the next meeting. There being no further business, Chair White adjourned the meeting.