Action Items

AACC Meeting Minutes: June 2, 2021

Compliance & Ethics
Annual Report

Compliance & Ethics
Plan
AACC Meeting Minutes: June 2, 2021 9:45 a.m.

Review  Discussion  Approval
2021 ANNUAL REPORT
Looking Back at 2020-2021...

**OUTREACH**
- Collaboration
- Compliance Training and Disclosure Calendar
- Training

**MONITORING**
- Enterprise Compliance Committee
- Pandemic Response and Implementation
- High Risk Monitoring

**AWARENESS**
- Compliance and Ethics Week
- Digital Marketing
- External Review
EXTERNAL REVIEW

Compliance and Ethics Program External Review:
Standards
Structure
Monitoring

Communication
Training and Education
Response and Enforcement

OSA068CE-004-001106.001-C01

Enterprise Compliance Committee
Compliance Policies and Procedures
Openness and Accessibility
Large-Scale Training
Collaboration
Communication
**EXTERNAL REVIEW**

Compliance and Ethics Program External Review:
- Standards
- Structure
- Monitoring
- Communication
- Training and Education
- Response and Enforcement

**Enterprise Compliance Committee**
Compliance Policies and Procedures
Openness and Accessibility
Large-Scale Training
Collaboration
Communication

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**FAMU FUNDAMENTALS**

2021 Mandatory Compliance Training Completion

- Code: 2,020
- Cyber: 2,084
- Sex. Har. Prev.: 2,055
- Clery: 2,089

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"Risky Business!"

**Monday - Kickoff**
Look out for the OCE’s Welcome Packet, which includes the updated Code of Conduct.

**Tuesday - Virtual Meet & Greet**
https://famu.zoom.us/j/92446838954
Please join us at 2 pm to learn more about the OCE and discuss FAQs.

**Wednesday - ORANGE DAY Featuring Dr. Robinson**
Please wear your orange and post pictures on our Facebook page "Florida A&M Office of Compliance and Ethics" holding a sign with the phrase #SeeSomethingSaySomething.

**Thursday - FAMUly Fun & Games**
https://famu.zoom.us/j/95613835172
Please join us at 1 pm for a game of Jeopardy featuring Compliance issues.

**Friday - Purge Day & Wrap Up**
Be sure to check FAMU INFO for tips on records management, OCE’s new roll outs and the next mandatory training!
Monitoring

**ATHLETICS**
Coordination with the Associate Athletic Director of Compliance to monitor risk areas.

**NCAA Infractions Report Monitoring**

**Compliance External Review and Report**

**Monitoring Schedule 2021-2022**: September, December, March

**UNIVERSITY COMPLIANCE AND ETHICS HOTLINE**
Managing the compliance and ethics hotline for appropriate investigation or referral to triage partners

**RESEARCH**
Policy and process updates regarding foreign influence; Coordinated hire of Compliance Coordinator for Research to assist in monitoring and process improvements

**GOVERNANCE**
Originated and coordinated the BOT Governance Series with the Division of Audit and Office of General Counsel

**PANDEMIC RESPONSE**
Advised University leadership regarding best practices related to pandemic response; continued implementation monitoring

**ENTERPRISE COMPLIANCE COMMITTEE**
Enterprise Compliance Committee Meetings: 2020-2021: July, September, December, March, June
Working Group Meetings scheduled by compliance partner chairs

**MMERI**
Served on the MMERI taskforce to provide assistance and guidance regarding program compliance.
Looking Forward to 2021–2022...

<table>
<thead>
<tr>
<th>OUTREACH</th>
<th>MONITORING</th>
<th>AWARENESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCREASED COLLABORATION</td>
<td>ENTERPRISE COMPLIANCE COMMITTEE</td>
<td>COMPLIANCE AND ETHICS WEEK</td>
</tr>
<tr>
<td>ADDITIONAL ENGAGEMENT OPPORTUNITIES</td>
<td>UPDATED RISK ASSESSMENT</td>
<td>COMPLIANCE AND ETHICS CULTURE SURVEY</td>
</tr>
<tr>
<td>EXPANDED TRAINING OPPORTUNITIES ON VARIOUS FORMATS</td>
<td>INCREASED MONITORING</td>
<td>WEBSITE DEVELOPMENT</td>
</tr>
</tbody>
</table>
## Compliance and Ethics Program Plan

Recommendations are grouped based on relative priority to supplement the implementation roadmap and guide the next steps of the OCE.

<table>
<thead>
<tr>
<th>High Priority</th>
<th>Medium Priority</th>
<th>Low Priority</th>
</tr>
</thead>
</table>
| Recommendations to be **implemented in the next 12 months** to address identified risks and current / near term FAMU Program needs. | Recommendations to be **implemented in the next 1 to 3 years**. These recommendations are critical and are either:  
  - Dependent on high priority steps, or  
  - Necessary but have a lower level of risk. | Recommendations to be **initiated in the next 3 to 5 years**. These recommendations should be considered based on the future direction of FAMU and the Program. |
# Compliance and Ethics Roadmap

<table>
<thead>
<tr>
<th>Governance</th>
<th>Organizational Structure</th>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain approval to invest funding and increase support for the OCE.</td>
<td>Revise organizational structure to align to the current reporting responsibilities described in the OCE Charter and publish on the FAMU website.</td>
<td>Leverage resources in the departments of compliance partners to assign compliance roles and responsibilities for communication and reporting to OCE.</td>
</tr>
<tr>
<td>Determine if additional OCE resources will be FAMU FTE or outsourced to a third-party and either advertise the position opening or contact with a third-party vendor.</td>
<td>Continue efforts to revise and update the Code of Conduct to include language describing the required Annual Compliance Training.</td>
<td>Leverage graduate program assistance to allow for a graduate hire to gain administrative and coordinating experience in OCE.</td>
</tr>
</tbody>
</table>

- **High Priority**
- **Medium Priority**
- **Low Priority**
## Compliance and Ethics Roadmap
### Process and Technology

<table>
<thead>
<tr>
<th>Process</th>
<th>Near Term</th>
<th>Medium Term</th>
<th>Long Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>Continue to charge risk owners with acting as stewards of compliance and integrity of their business activities and processes</td>
<td>Increase communication between the president and the FAMU athletics head coaches to align with National Collegiate Athletics Association (“NCAA”) guidance and best practices.</td>
<td></td>
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<tr>
<td></td>
<td>Continue efforts establishing an ERM assessment process to include in the annual Compliance Risk Assessment to align risk considerations.</td>
<td>Develop a process to ensure policies and procedures are regularly updated and made available to all employees, faculty, and staff, and included/referenced in training curriculum.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Continue to assess the COI process for non-research faculty.</td>
<td>Centralize the storage and accessibility of all Program policies, procedure, codes of conduct, and other relevant regulatory documents.</td>
<td>Develop policy and procedures to coordinate, streamline, and standardize enforcement actions processes across the university.</td>
</tr>
<tr>
<td>Technology</td>
<td>Assess the current FAMU technology systems used for reporting, storage, training, etc.</td>
<td></td>
<td>Invest in a technology system or upgrade to allow and scale for growth and to enable robust reporting.</td>
</tr>
</tbody>
</table>

- **High Priority**
- **Medium Priority**
- **Low Priority**
<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Major Discussion Topics</th>
<th>Action Items</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 15-16, 2021</td>
<td>Office of Compliance and Ethics (OCE) Annual Report</td>
<td></td>
<td>n/a</td>
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<tr>
<td></td>
<td></td>
<td>OCE program plan changes, as appropriate</td>
<td>n/a</td>
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<tr>
<td></td>
<td>Division of Audit Annual Report</td>
<td></td>
<td>Annually Sept. 30</td>
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<tr>
<td></td>
<td>Audit and Investigations Follow-up</td>
<td></td>
<td>n/a</td>
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<tr>
<td>December 1-2, 2021</td>
<td>University Compliance and Ethics Charter (3-year review and update, as appropriate)</td>
<td></td>
<td>12-30-2022</td>
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<tr>
<td></td>
<td>University Code of Conduct (3-year review and update, as appropriate)</td>
<td></td>
<td>12-30-2022</td>
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<tr>
<td></td>
<td>Division of Audit Charter Document - Update</td>
<td></td>
<td>12-30-2021</td>
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<tr>
<td></td>
<td>Office of Compliance and Ethics Updates</td>
<td></td>
<td>n/a</td>
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<tr>
<td></td>
<td>Audit and Investigations Committee Charter – Update every 3 years or as needed</td>
<td></td>
<td>12-30-2021</td>
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<td>12-30-2024</td>
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<td></td>
<td>Audit and Investigations Follow-up</td>
<td></td>
<td>n/a</td>
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<td></td>
<td>Full Board – Cyber Security Closed Door Session</td>
<td></td>
<td>n/a (generally twice a year)</td>
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<td></td>
<td>Training Update – Internal Controls and Enterprise Risk Management</td>
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<td>n/a</td>
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<tr>
<td>February 16-17, 2022</td>
<td>Performance Based Funding Data Integrity Audit</td>
<td>Performance Based Funding Data Integrity Certification</td>
<td>Annually March 1</td>
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<tr>
<td></td>
<td>Audit and Investigations Follow-up</td>
<td></td>
<td>n/a</td>
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<td></td>
<td>Office of Compliance and Ethics Updates</td>
<td></td>
<td>n/a</td>
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<tr>
<td>March 2022</td>
<td>Office of Compliance and Ethics—FAMU Fundamentals (University Governance) Training (BOT)</td>
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<td>March 1-31</td>
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<tr>
<td>April 20, 2022 (Zoom)</td>
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<td>May 12, 2022 (Zoom)</td>
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<tr>
<td>June 8—9, 2022</td>
<td>Division of Audit Work Plan</td>
<td></td>
<td>Annually July 1</td>
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<tr>
<td>President’s Internal Controls Assessment</td>
<td>Annually</td>
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<td>----------------------------------------</td>
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<td></td>
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<tr>
<td>Full Board – Cyber Security Closed Door Session</td>
<td>n/a (generally twice a year)</td>
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<tr>
<td>Division of Audit External Quality Assessment Review</td>
<td>Every 5 years per audit standards</td>
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<tr>
<td>Annual Audit Risk Assessment</td>
<td>Annually</td>
<td></td>
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<tr>
<td></td>
<td>External Compliance and Ethics Program Review</td>
<td>Every 5 years (next review 2026)</td>
<td></td>
</tr>
<tr>
<td>Office of Compliance and Ethics</td>
<td>n/a</td>
<td></td>
<td></td>
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<tr>
<td>Audit and Investigations Follow-up</td>
<td>n/a</td>
<td></td>
<td></td>
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<tr>
<td>Trustee Training – Various Topics</td>
<td>n/a</td>
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<tr>
<td>August 3-4, 2022 (Retreat)</td>
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<tr>
<td>General responsibilities</td>
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</tbody>
</table>
OFFICE OF COMPLIANCE AND ETHICS

What's Next?

PLAN REVIEW AND DEVELOPMENT – 2021-2026
Capitalize on feedback from Huron Consulting Group and internal stakeholders (August 2021)

COMPLIANCE COORDINATOR FOR RESEARCH
Identify a candidate to fill vacancy. This position coordinates with research compliance partners (Edna Gasque, September 15)

COMPLIANCE AND ETHICS CULTURE SURVEY
Finalize and administer survey (September 2021)

OFFICE RELOCATION
Prepare for relocation from the Journalism Building to Foote-Hilyer (Tentatively scheduled for September 2021)
Audit Follow-up: Open Issues

CLOSED – Low Risk
Policy Standards are in Development
Anticipated Completion July 2021

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

OPEN – Medium Risk
Phase 1: Renovations have started
Certified: Press Box & Seating for 2021

OPEN – High Risk
Hiring: Emergency Management Director
Anticipated Candidate Selection: July 2021


2018 Operational Audit: Intercollegiate Athletics Programs – Deficit Cash Balances

2018-19 Risk Assessment: Bragg Stadium Safety and Maintenance

Audit Follow-up: Open Issues

**OPEN – High Risk**
The University plans to report all 3rd party foreign payments that exceeded the $250,000 reporting threshold for FYE 2019, 2020, and 2021 to USDOE by November 2021.

**OPEN – High Risk**
BOT Policy 2005-14 was updated at the June 2021 BOT Meeting. A cross-functional working group is currently reviewing additional policies and procedures for any necessary revisions and developing new policies to address foreign influence and research security.
**Issue: Direct charging of an administrative position to federal grants**

**Recommendation:** Work with the federal funder to determine if monies used for the position should be repaid.

**Status:** OPEN

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**Issue: Allocation of administrative salaries to funding sources**

**Recommendation:** Ensure all other administrative positions in CAFS are funded by appropriate sources.

**Status:** OPEN

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**Issue: Telecommuting policy applicability**

**Recommendation:** Consider revising the applicability of the policy to include non-teaching faculty.

**Status:** OPEN

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**Issue: Compliance with mandatory COVID-19 training**

**Recommendation:** Follow-up with CAFS to ensure staff have completed the required training. Closed 6/11/2021

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**Issue: Outside employment and undisclosed conflict of interest**

**Recommendation:** Consider automating the conflict of interest disclosure process.

**Status:** OPEN
## External Audits Update

### IN PROGRESS FLORIDA AUDITOR GENERAL AUDITS:

<table>
<thead>
<tr>
<th>Auditor General In-Progress Audits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Audit</strong></td>
</tr>
<tr>
<td>Operational Audit</td>
</tr>
<tr>
<td>Financial Statement</td>
</tr>
</tbody>
</table>

### IN PROGRESS DIRECT SUPPORT ORGANIZATION (DSO) AUDITS:

<table>
<thead>
<tr>
<th>In-Progress DSO Audits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organization</strong></td>
</tr>
<tr>
<td>FAMU Foundation</td>
</tr>
<tr>
<td>FAMU National Alumni Association</td>
</tr>
<tr>
<td>FAMU Rattler Boosters’ Inc.</td>
</tr>
</tbody>
</table>

Conducted various projects in addition to assurance services. These projects included investigations, advisory and consulting services, management requests, and continuous monitoring projects.

Worked with University management to validate and close 16 audit and investigation findings. Provided timely finding status updates to the Board of Trustees and the President.

Developed FAMU Fraud Policy 2020-01, which was adopted by the Board of Trustees in December 2020. Developed new FAMU Fraud Prevention and Detection Regulation, (1.023) that establishes risk management strategies to prevent and detect fraud. The Fraud Regulation was approved by the Board of Trustees in June 2021.
DoA Annual Report – FY 20-21 Accomplishments

Launched the Division’s data analytics program that aims at building an effective data analytics function to carry out projects that will add value to the University community.

Provided various training sessions to the University community. Primary training sessions included: 1) Board of Trustees Governance Primer; 2) Internal Controls; 3) Internal Controls Assessment; 4) FAMU Management Seminar - Enterprise Risk Management; 5) FAMU Management Seminar - Preparing for Audit; and 6) FAMU Fundamentals - Fraud Awareness.

Celebrated International Internal Audit Awareness Month in May 2021 by holding a Fraud, Risk, and Controls Virtual Town Hall; hosting a VirtualAudit Awareness Scavenger Hunt; releasing the inaugural newsletter edition of "The Audit Report; and conducting a University-wide Phishing Campaign in partnership with FAMU Information Technology Services.

Participated in FAMU’s Relay for Life fund raiser in April 2021. Our team surpassed our goal and raised over $1,000 to help the American Cancer Society sustain critical research and patient services in this difficult time.
Division of Audit Updates

01 New Offices
DoA moved to Suite G7 of the Foote-Hilyer Administration Center

02 Enterprise Risk Management
The Enterprise Risk Management Function was moved to DoA in August 2021. Ms. Melton was appointed as the University’s Chief Risk Officer to lead this endeavour

03 Committee Development
In order to support the Assurance and Enterprise Risk Management Functions, DoA will be establishing an Assurance Committee and an ERM Committee

04 Professional Development
- Certified Construction Auditor
  - Joseph Maleszewski
  - Carl Threatt
- Certified Inspector General Investigator
  - Arriet Foster
  - Deidre Melton

05 October Mandatory Trainings
The Division of Audit will be hosting trainings related to Internal Controls and Enterprise Risk Management

06 Hiring Process
The Division of Audit is currently in the process of hiring a Staff Auditor and an Enterprise Risk Management Coordinator
Organization Chart

Joseph Maleszewski,
Vice President of Audit/CAE

Debra Barrington,
Administrative Assistant

Deidre Melton,
AVP of Audit/CRO

AUDIT

Carl Threatt,
Senior Auditor

William Knight,
Senior Auditor

Ruoxu Li,
Sr IT & Data Analytics Auditor

Arriet Foster,
Lead Senior Auditor & Investigator

Danielle Myrick,
Auditor

ERM

Vacant,
ERM Coordinator
Thank You!