



# Audit and Compliance Committee Meeting



FLORIDA  
AGRICULTURAL AND  
MECHANICAL  
UNIVERSITY

September 15, 2021

# 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.





FLORIDA A&M UNIVERSITY  
OFFICE OF COMPLIANCE  
AND ETHICS

# 2021 ANNUAL REPORT

## CONTENTS

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- 1** MISSION
- 2** EXTERNAL REVIEW
- 3** FAMU FUNDAMENTALS
- 4** COMPLIANCE AND ETHICS  
WEEK 2020
- 5** MONITORING
- 6** INVESTIGATIONS
- 8** YEAR FOUR

# Looking Back at 2020-2021...

## OUTREACH



COLLABORATION

## MONITORING



ENTERPRISE  
COMPLIANCE  
COMMITTEE

## AWARENESS



COMPLIANCE  
AND ETHICS  
WEEK



COMPLIANCE TRAINING  
AND DISCLOSURE  
CALENDAR



PANDEMIC  
RESPONSE AND  
IMPLEMENTATION



DIGITAL  
MARKETING



TRAINING



HIGH RISK  
MONITORING



EXTERNAL  
REVIEW



# EXTERNAL REVIEW 2

Compliance and Ethics Program External Review:

Standards

Communication

Structure

Training and Education

Monitoring

Response and Enforcement

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



## EXTERNAL REVIEW <sup>2</sup>

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

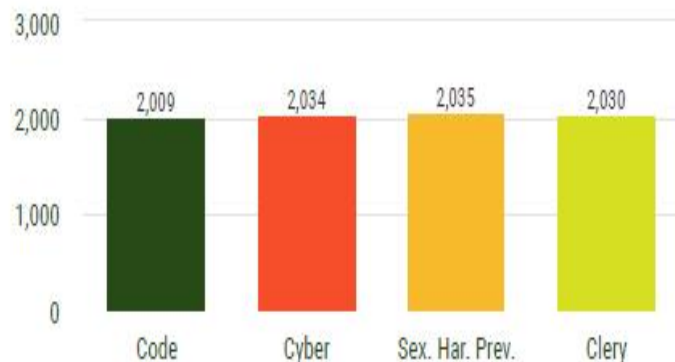
Enterprise Compliance Committee  
 Compliance Policies and Procedures  
**Openness and Accessibility**  
 Large-Scale Training Culture  
 Collaboration Communication



3

## FAMU FUNDAMENTALS

2021 Mandatory Compliance Training Completion



# Florida A&M University's Compliance and Ethics Week November 1-7, 2020

## "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

## PANDEMIC RESPONSE

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

## MMERI

Served on the MMERI taskforce to provide assistance and guidance regarding program compliance.

## GOVERNANCE

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

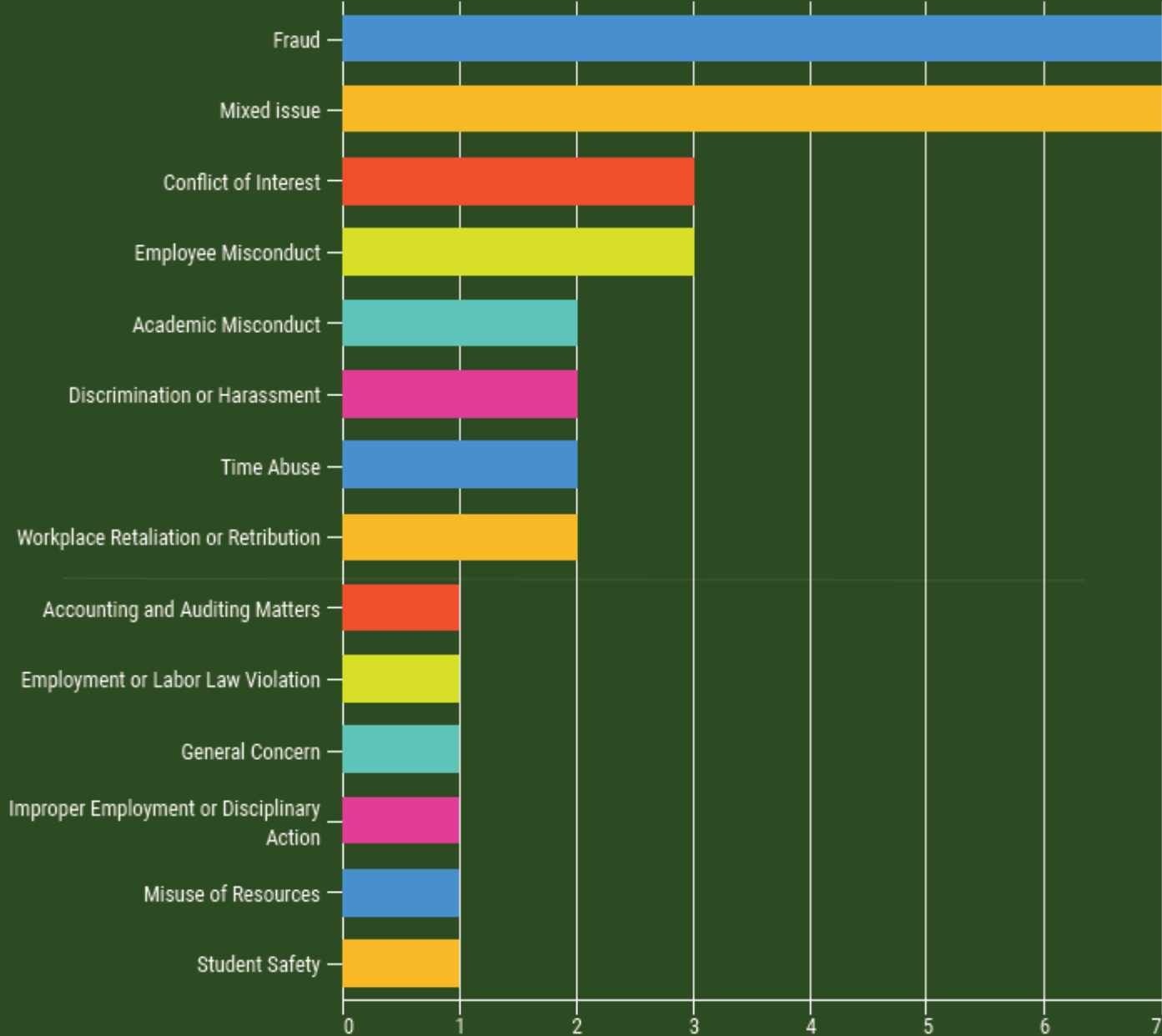
## ENTERPRISE COMPLIANCE COMMITTEE

Enterprise Compliance Committee Meetings: 2020-2021: July, September, December, March, June

Working Group Meetings scheduled by compliance partner chairs



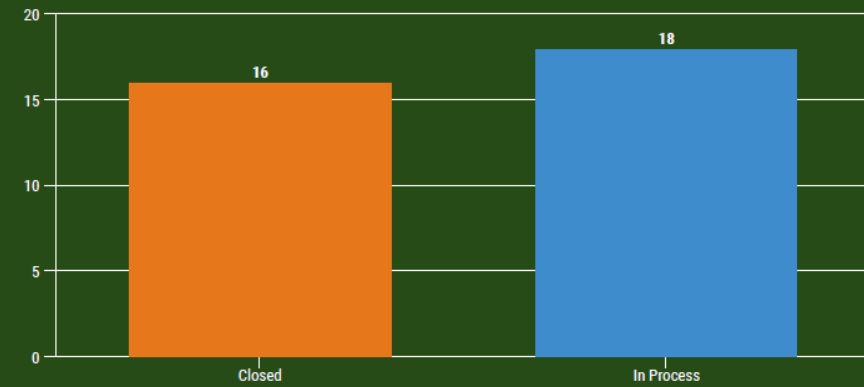
Allegation Type



# INVESTIGATIONS



Investigation Status



# Looking Forward to 2021-2022...

## OUTREACH



INCREASED  
COLLABORATION



ADDITIONAL  
ENGAGEMENT  
OPPORTUNITIES



EXPANDED  
TRAINING  
OPPORTUNITIES ON  
VARIOUS FORMATS

## MONITORING



ENTERPRISE  
COMPLIANCE  
COMMITTEE



UPDATED  
RISK  
ASSESSMENT



INCREASED  
MONITORING

## AWARENESS



COMPLIANCE  
AND ETHICS  
WEEK



COMPLIANCE  
AND ETHICS  
CULTURE SURVEY



WEBSITE  
DEVELOPMENT

YEAR  
4



FLORIDA A&amp;M UNIVERSITY

# OFFICE OF COMPLIANCE AND ETHICS

## 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.

### High Priority

Recommendations to be **implemented in the next 12 months** to address identified risks and current / near term FAMU Program needs.

### Medium Priority

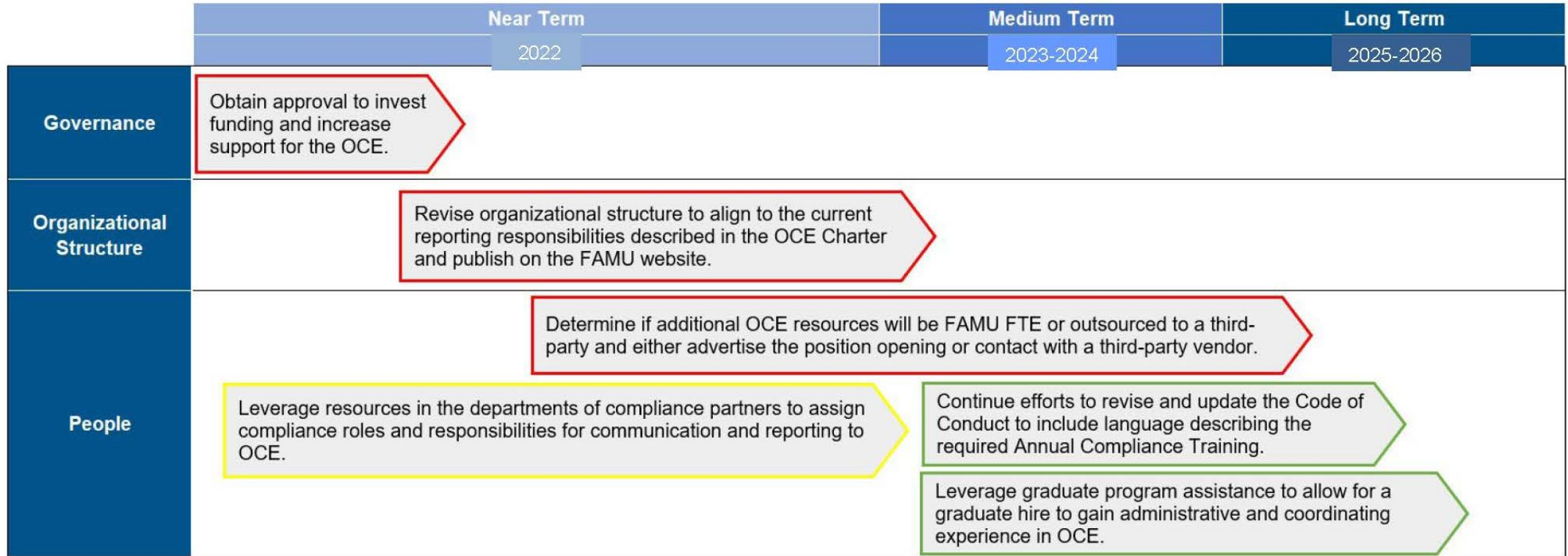
Recommendations to be **implemented in the next 1 to 3 years**. These recommendations are critical and are either:

- Dependent on high priority steps, or
- Necessary but have a lower level of risk.

### Low Priority

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



 High Priority
  Medium Priority
  Low Priority

# Compliance and Ethics Roadmap Process and Technology

	Near Term Year 1	Medium Term Years 2-3	Long Term Years 4-5
Process	Continue to charge risk owners with acting as stewards of compliance and integrity of their business activities and processes	Increase communication between the president and the FAMU athletics head coaches to align with National Collegiate Athletics Association ("NCAA") guidance <sup>1</sup> and best practices.	
	Continue efforts establishing an ERM assessment process to include in the annual Compliance Risk Assessment to align risk considerations.	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.	
	Continue to assess the COI process for non-research faculty.	Centralize the storage and accessibility of all Program policies, procedure, codes of conduct, and other relevant regulatory documents.	Develop policy and procedures to coordinate, streamline, and standardize enforcement actions processes across the university.
Technology	Assess the current FAMU technology systems used for reporting, storage, training, etc.	Invest in a technology system or upgrade to allow and scale for growth and to enable robust reporting.	

 High Priority
  Medium Priority
  Low Priority

# Audit and Compliance Committee



**Committee Action  
Plan**

# FLORIDA **A&M** UNIVERSITY

## Audit and Compliance Committee Action Plan 2021-2022

Meeting Date	Major Discussion Topics	Action Items	Due Date
<b>September 15-16, 2021</b>	Office of Compliance and Ethics (OCE) Annual Report		n/a
		OCE program plan changes, as appropriate	n/a
	Division of Audit Annual Report		Annually Sept. 30
	Audit and Investigations Follow-up		n/a
<b>December 1-2, 2021</b>		University Compliance and Ethics Charter (3-year review and update, as appropriate)	12-30-2022
		University Code of Conduct (3-year review and update, as appropriate)	12-30-2022
		Division of Audit Charter Document - Update	12-30-2021
	Office of Compliance and Ethics Updates		n/a
		Audit and Compliance Committee Charter – Update every 3 years or as needed	12-30-2021 12-30-2024
	Audit and Investigations Follow-up		n/a
	Full Board – Cyber Security Closed Door Session		n/a (generally twice a year)
	Training Update – Internal Controls and Enterprise Risk Management		n/a
<b>February 16-17, 2022</b>	Performance Based Funding Data Integrity Audit		Annually March 1
		Performance Based Funding Data Integrity Certification	Annually March 1
	Audit and Investigations Follow-up		n/a
	Office of Compliance and Ethics Updates		n/a
<b>March 2022</b>	Office of Compliance and Ethics— FAMU Fundamentals (University) Governance Training (BOT)		March 1-31
<b>April 20, 2022 (Zoom)</b>			
<b>May 12, 2022 (Zoom)</b>			
<b>June 8—9, 2022</b>		Division of Audit Work Plan	Annually July 1

# FLORIDA **A&M** UNIVERSITY

	President’s Internal Controls Assessment		Annually
	Full Board – Cyber Security Closed Door Session		n/a (generally twice a year)
	Division of Audit External Quality Assessment Review		Every 5 years per audit standards
	Annual Audit Risk Assessment		Annually
		External Compliance and Ethics Program Review	Every 5 years (next review 2026)
	Office of Compliance and Ethics		n/a
	Audit and Investigations Follow-up		n/a
	Trustee Training – Various Topics		n/a
<b>August 3-4, 2022 (Retreat)</b>			
<b>General responsibilities</b>			



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



**OCE Updates**

**FLORIDA A&M UNIVERSITY**

**FAMU**  **WAY**



## 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)

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**DIVISION OF AUDIT**



**Audit Follow-Up**



**Investigative  
Follow-Up**



**External Audits**



**Annual Report**



**Division of Audit:  
Updates**

# Audit Follow-up: Open Issues



## CLOSED – Low Risk

Policy Standards are in Development  
Anticipated Completion July 2021



2019 Crowe Report: Information Security Policies and Procedures

1



## OPEN – High Risk

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



2018 Operational Audit:  
Intercollegiate Athletics Programs  
– Deficit Cash Balances

2



## OPEN – Medium Risk

Phase 1: Renovations have started  
Certified: Press Box & Seating for 2021



2018-19 Risk Assessment: Bragg Stadium Safety and Maintenance

3



## OPEN – High Risk

Hiring: Emergency Management Director  
Anticipated Candidate Selection: July 2021



2018-19 Risk Assessment –  
Emergency Preparedness

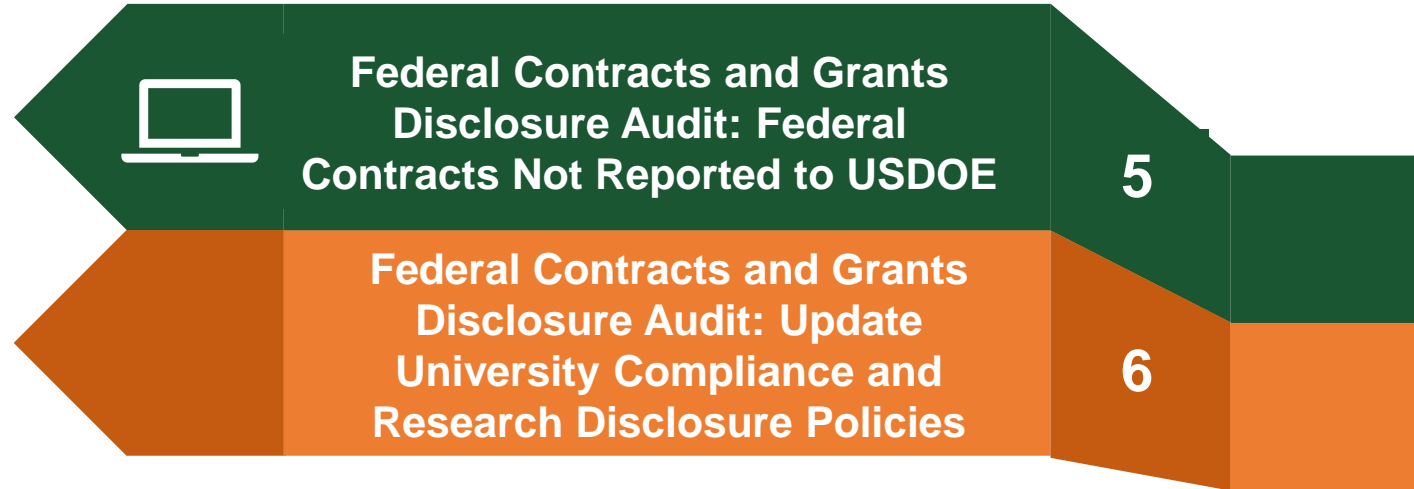
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# Audit Follow-up: Open Issues

01

## 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.



02

## 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.

# Investigation Recommendations Status

## Report #2020-11-05

## Report #2021-02-19



**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.  
**OPEN**



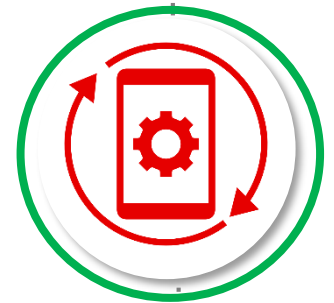
**Issue: Allocation of administrative salaries to funding sources**  
**Recommendation:** Ensure all other administrative positions in CAFS are funded by appropriate sources.  
**OPEN**



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



**Issue: Compliance with mandatory COVID-19 training**  
**Recommendation:** Follow-up with CAFS to ensure staff have completed the required training.  
**Closed 6/11/2021**



**Issue: Outside employment and undisclosed conflict of interest**  
**Recommendation:** Consider automating the conflict of interest disclosure process.  
**OPEN**

# External Audits Update

## IN PROGRESS FLORIDA AUDITOR GENERAL AUDITS:

<b>Auditor General In-Progress Audits</b>			
<b>Audit</b>	<b>Audit Period</b>	<b>Start Date</b>	<b>Anticipated Report Release Date</b>
<b>Operational Audit</b>	<b><u>FYE</u></b> June 30, 2020	May 2021	September 2021
<b>Financial Statement</b>	<b><u>FYE</u></b> June 30, 2021	June 2021	March 2022

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

<b>In-Progress DSO Audits</b>			
<b>Organization</b>	<b>Audit Period</b>	<b>Expected Start Date</b>	<b>Anticipated Report Release Date</b>
<b>FAMU Foundation</b>	<b><u>FYE</u></b> June 30, 2021	August 2021	October 2021
<b>FAMU National Alumni Association</b>	<b><u>FYE</u></b> June 30, 2021	August 2021	October 2021
<b>FAMU Rattler Boosters' Inc.</b>	<b><u>FYE</u></b> June 30, 2021	August 2021	October 2021

# DoA Annual Report – FY 20-21 Accomplishments



Provided Assurance Services related to Performance Based Funding Data Integrity, Coronavirus Aid, Relief, and Economic Security (CARES) Act's Higher Education Emergency Relief Fund (HEERF), Active Directory Security and Management, Federal Contracts and Grants Disclosure, and Review of HEERF II Institutional Funds for Student Financial Support.



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 Virtual Audit 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

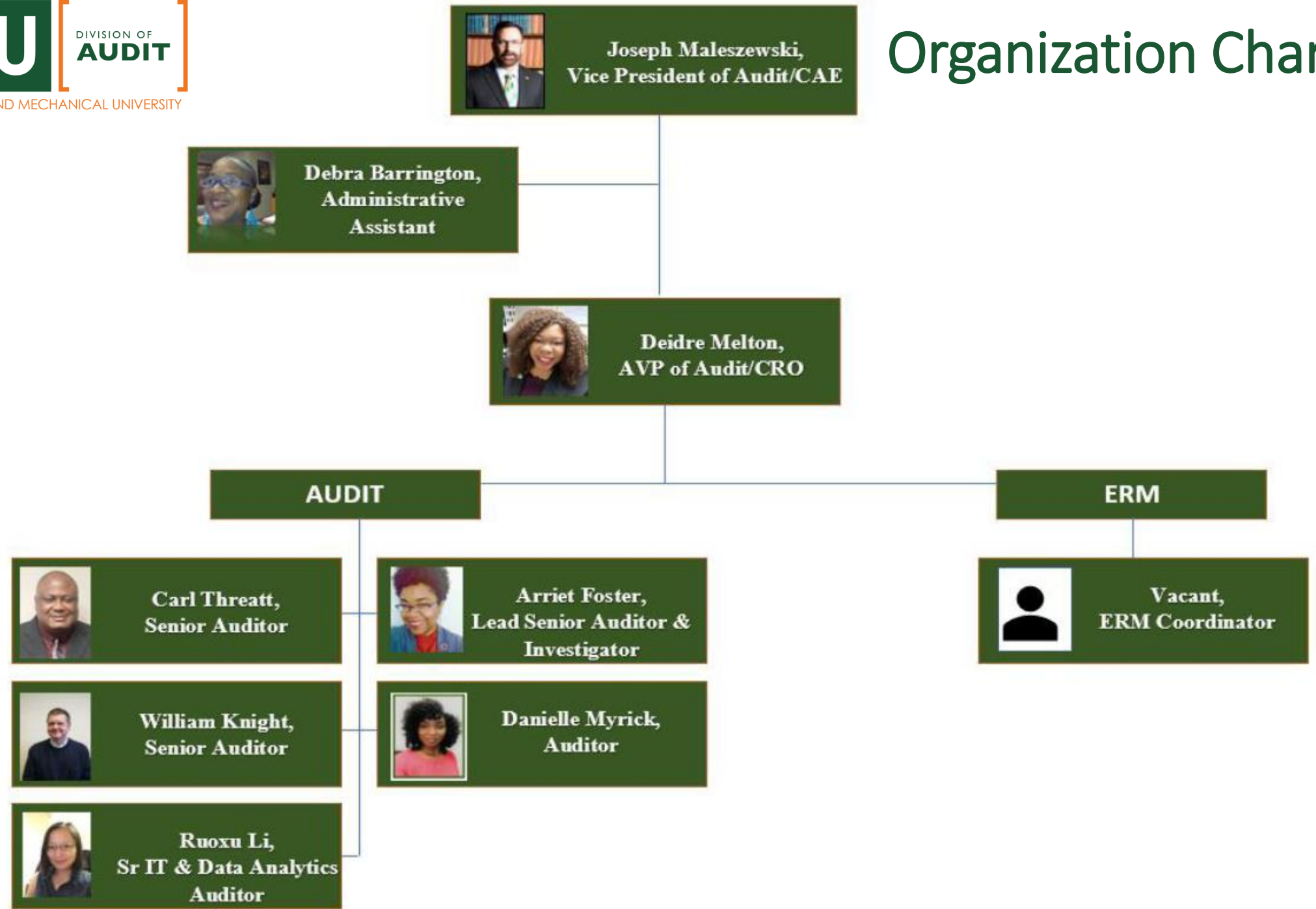
The Division of Audit will be hosting trainings related to Internal Controls and Enterprise Risk Management

06 •

## Hiring Process

The Division of Audit is currently in the process of hiring a Staff Auditor and an Enterprise Risk Management Coordinator





# 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, the only African American school to Florida. In 1890, the school to west of Florida. In 1891, the college was moved from its original location west of 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 historic significance and buildings. The design of the campus was...