



Audit Committee Meeting

PRESENTED BY

Rick Givens

December 10, 2015

Florida Agricultural and Mechanical University



Information Item

Proposed BOG Regulation

- 4.001 University System Processes for Complaints of Waste, Fraud, or Financial Management
 - Allegations received by BOG to be referred to University Chief Audit Executive (CAE)
 - University staff, faculty, students or BOT members shall report waste, fraud, or financial mismanagement to CAE
 - The BOG shall be notified of any allegation against President, CAE, General Counsel, or BOT member





Information Item

Proposed BOG Regulation

- 4.002 State University System Chief Audit Executive
 - Requires each university to have an audit committee
 - Requires CAE to report administratively to the President and functionally to the BOT
 - Specifies duties to be performed by The CAE





Information Item

Impact of Proposed Regulations

4.001 & 4.002

- The University has generally followed the proposed requirements included in the proposed regulations, so impact will be minimal
 - Required reporting is increased
 - Requires allegations against President, CAE, General Counsel and BOT members to be reported to BOG
 - Formalizes BOG role in investigations and audits performed by university internal audits





Information Item

Proposed BOG Regulation

- 4.003 Compliance and Ethics Program
 - Requires a comprehensive compliance and ethics program
 - Implementation of this regulation will have a significant impact
 - Full time compliance officer needed
 - Develop and implement a formal comprehensive program, including infrastructure, policies and procedures





Information Item

Proposed BOG Regulation

- Impact of Regulation 4.003 (continued)
 - Annual cost projected to be \$300,000-\$400,000
- 4.004 BOG Oversight Enforcement Authority
 - Implements Section 1008.322 Florida Statutes
 - If audit findings are not addressed, permits the BOG to take certain actions
 - The University has 2 findings that have been reported in 2 reports





Information Item

Status of Investigations

- From July – September 2015, 17 allegations received, with 2 reports issued, 1 closed with no investigation, 7 in process, 6 referred, and 1 pending investigation
- Status of BOG topics of interest
 - Allegation in letter from President to Chair Montgomery - closed





Information Item

Status of Investigations

- Status of BOG topics of interest (continued)
 - Renovations to President's House - selection of firm to conduct the review is in process
 - Leave payout (Winslow) – report issued and sent to BOG
 - Hiring Practices/Policy (convicted felon) – investigation in process





Information Item

Status of Investigations

- Status of BOG topics of interest (continued)
 - DRS Sports field construction – site evaluation and analysis is underway to develop design and construction documents
 - Work to be done in phases with initial emphasis on getting fields ready for play





Information Item

NCAA Investigation

- NCAA issued final report on November 20, 2015
- Penalties imposed in addition to the University's self imposed penalties
- The Athletic Department has developed an action plan to address the issues





Information

- Questions?





“At FAMU, Great Things Are Happening Every Day.”

established 1887





SECTION HEADER