

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



**Audit & Compliance Committee Meeting  
Trustee Craig Reed, Chair  
Grand Ballroom  
Wednesday, October 11, 2023 - 3:30 PM**

**Committee Minutes**

**Committee Members** Trustee Belvin Perry (Vice Chair), Trustee Jamal A. Brown, Trustee Kelvin Lawson, Trustee Michael White, and Trustee Craig Reed (Absent)

In the absence of Chair Reed, Vice Chair Perry called the meeting to order. Ms. Debra Barrington called the roll. A quorum was established. Vice Chair Perry acknowledged five (5) action items:

1. Minutes: Consideration of Approval – June 8, 2023;
2. Risk Appetite Statement;
3. Division of Audit Workplan Updates;
4. University Equity Report; and
5. Office of Compliance and Ethics Annual Report.

**The first action item** – Vice Chair Perry acknowledged consideration of the Thursday, June 8, 2023, Audit and Compliance Committee Meeting Minutes. The minutes were moved by Trustee Lawson, and seconded by Trustee Brown. The motion carried and the June 8, 2023, minutes were approved.

**The second action item** – Vice Chair Perry recognized VP Joseph Maleszewski. VP Maleszewski acknowledged AVP Deidre Melton to present the September 28, 2023, Risk Appetite Statement.

AVP/CRO Melton presented the Risk Appetite Statement. The FAMU Risk Appetite Statement is a foundational component of our risk management strategy and plays a pivotal role in achieving several key objectives: Clarity in Decision-Making and enhanced accountability. AVP/CRO Melton noted that the introduction was updated but that, based on review with senior leadership and the board, there were no updates to assigned risk level for that identified risk categories.

The Risk Appetite Statement was moved for approval. The motion carried and the Risk Appetite Statement was approved.

**The third action item** - Vice Chair Perry recognized VP Joseph Maleszewski to present the Division of Audit Workplan Updates for consideration of approval.

VP Maleszewski, shared that the Division of Audit has encountered significant staffing challenges since the plan's approval, including the departure of the Lead Senior Auditor and the unfunded request for enterprise risk management staff members as part of the budget process. In light of the staffing impacts, the Division of Audit has made strategic adjustments to the approved work plan, prioritizing essential focus areas. As a result, specific projects and initiatives will be removed or scaled back in the current fiscal year. Removed projects will be reconsidered as part of the risk assessment and plan for the coming fiscal year. Changes are summarized below:

- 1) Removed Projects:
  - Operational Audit of Property Management Function;
  - Risk Based Budgeting Tools;
  - Risk and Controls Certification Program;
  - Crisis Management Toolkit;
  - Athletics Risk Toolkit;
  
- 2) Reduced Initiatives:
  - The frequency of risk bulletins will be decreased due to limited staffing;
  - The availability of on-demand Enterprise Risk Management (ERM) training courses will be scaled back.

The primary goal of these work plan adjustments is to ensure that the remaining projects and initiatives can be executed effectively, focusing on critical areas while maintaining high quality.

VP Maleszewski completed the Division of Audit Workplan Updates. Trustees expressed concern about the potential removal of the Athletics Risk Toolkit from the Division of Audit Workplan. Vice Chair Perry directed VP Maleszewski to bring back a revised Update for consideration at the December Audit and Compliance Committee Meeting.

**The fourth action item** - Vice Chair Perry recognized Chief Compliance and Ethics Officer Rica Calhoun to present the University Equity Report. CCEO Calhoun indicated that Board of Governor's Regulation 2.003(5) Equity and Access, requires the preparation of this report and approval by the Board of Trustees before submission to the Board of Governors.

The Equity Report was moved for approval. The motion carried and the Equity Report was approved.

**The fifth action item** - Vice Chair Perry recognized Chief Compliance and Ethics Officer Rica Calhoun to present the Office of Compliance and Ethics Annual Report. CCEO Calhoun highlighted the multifaceted initiatives undertaken by the Office of Compliance and Ethics in collaboration with various University stakeholders. She noted that their focus remains on fostering a culture that values ethical decision-making, compliance with regulatory requirements, and the continued enhancement of policies

and procedures. The report highlighted compliance and ethics achievements, challenges, and initiatives that have contributed to the growth and success of FAMU. CCEO Calhoun indicated that her dedicated team has fostered a culture of responsibility and fairness.

The Office of Compliance and Ethics Annual Report was moved for approval. The motion carried and the Office of Compliance and Ethics Annual Report was approved.

**Informational Items:**

As the Office of Compliance and Ethics Annual Report included all necessary information items for the Office of Compliance and Ethics, Vice Chair Perry recognized VP Maleszewski and AFP Melton to present the following Division of Audit updates:

- Audit and Investigative Follow-up
- External Audit Updates
- ERM Updates
- Division of Audit Update
- Adjournment

Over the past year, the Division of Audit has actively addressed 27 cases. Among these cases, 12 are currently in the process, six (6) cases were referred for further action, and eight (8) cases have been successfully closed.

Audit Follow-up is performed for any outstanding audit findings. VP Maleszewski provided an update on open items related to the Security Plan Audit, Bragg Stadium Safety and Security, and Emergency Preparedness as well as items closed since the last update.

VP Maleszewski then provided an update on external audits noting that 14 items had been closed and four items remain open and subject to monitoring.

AVP Melton then provided an ERM update as well as Division of Audit office updates.

**Adjournment** Vice Chair Perry adjourned the Audit and Compliance Committee Meeting since there was no further business to be discussed.