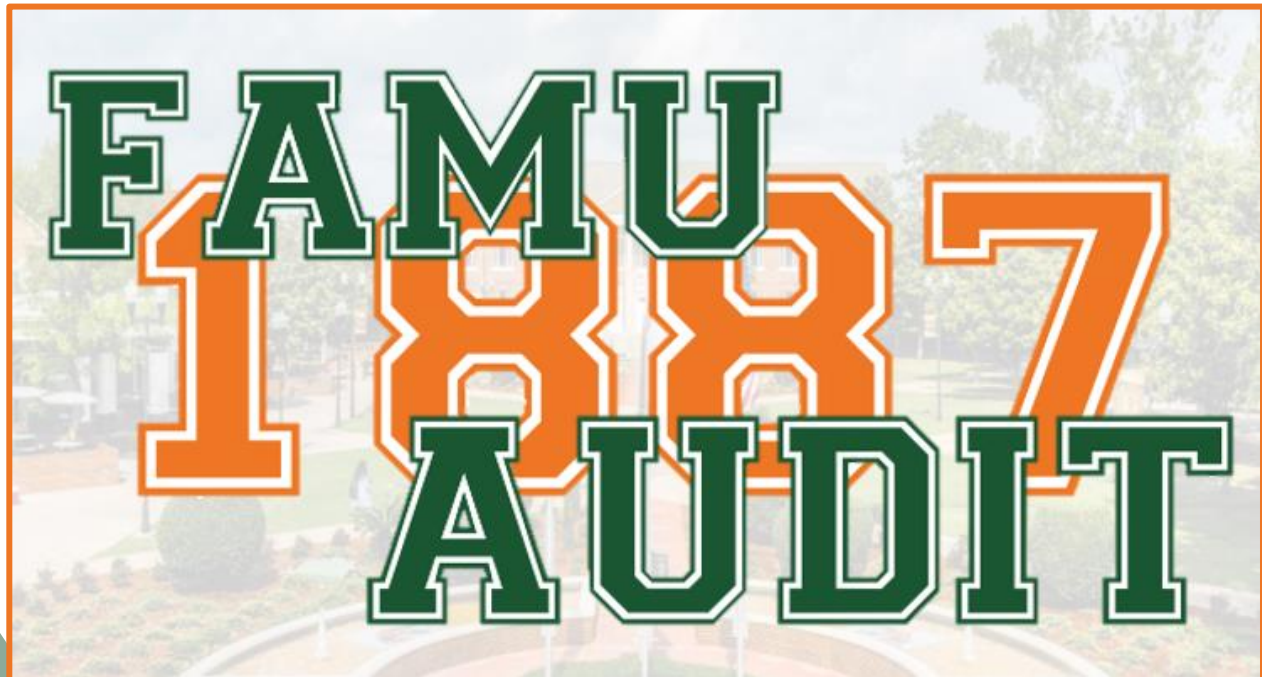


THE **Audit Report**

AN INTERNAL AUDIT MAGAZINE

**MESSAGE FROM
THE VP FOR AUDIT**

**Reporting in
Good Faith**



**Performance-Based
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DoA GOES AGILE

***EMPLOYEE
SPOTLIGHTS***

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**MAY IS
INTERNAL AUDIT
AWARENESS
MONTH**

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A MESSAGE FROM THE VP FOR AUDIT



JOSEPH K. MALESZEWSKI
MBA, CIA, CISA, CIG, CIGA, CIGI, CGAP, CCEP, CCA, CFE

I am excited to offer this quarterly Division of Audit communication in magazine format for the first time! I hope that you find the information both relevant and useful. As we move into the spring, the Division of Audit will begin our annual risk assessment process and prepare the next fiscal year's audit work plan. We will also work closely with President Robinson to complete his annual assessment of Internal Controls, which he will present to the Board of Trustees at their June meeting.

We eagerly await the conclusion of Crowe's internal control assessment of our three Direct Support Organizations – the FAMU Foundation, National Alumni Association, and the Rattler Boosters and look forward to working with management to further enhance internal controls in these essential support organizations.

The Division of Audit is currently undergoing an external assessment of our conformance with professional auditing standards. Kaye Kendrick Enterprises, LLC is performing the assessment and we will share the results in the coming month.

We are also excited to bring forth policy updates and plans related to facilitating the University's efforts in implementing Enterprise Risk Management. We expect to bring a number of related items to the Board at their June meeting.

Please know that the Division of Audit is here to help you preserve, enhance and create value for our stakeholders. Let us know how we can be of assistance.



FLORIDA A&M UNIVERSITY
DIVISION OF AUDIT



DOA EMPLOYEE SPOTLIGHTS



NEW CERTIFICATION AND NEW ROLE

Joe Maleszewski
MBA, CIA, CISA, CIG, CIGA, CIGI,
CGAP, CCEP, CCA, CFE



Congratulations to Joe for earning his newest designation as a **Certified Fraud Examiner (CFE)**! CFEs have the ability to understand how fraud is committed and how it can be identified. The CFE credential denotes proven expertise in financial transactions and fraud schemes, law, investigation, and fraud prevention, detection, and deterrence. Also, on February 15, 2022, Joe was elected as the **First Vice President of the Florida Chapter of the Association of Inspectors General (FCAIG)** and he'll continue to serve as FCAIG Treasure. He is also a member of the National AIG Board of Directors and serves as both Certified Inspector General (CIG) and Certified Inspector General Auditor (CIGA) Institute Faculty member.



NEW AUDITOR

Trystal Wright
CGAP, CIGA

Join us in welcoming Trystal Wright as the newest addition to the Division of Audit's team. She joined the Division as an internal auditor in December 2021. Trystal graduated from FAMU in 2011 with a degree in Psychology and comes to us from the Florida Department of Revenue with over 8 years of working experience as a government analyst, consultant, and auditor, with designations as a Certified Government Auditing Professional (CGAP) and a Certified Inspector General Auditor (CIGA). Trystal looks forward to the opportunity to add value to the University and its stakeholders.



NEW ENTERPRISE RISK MANAGEMENT (ERM) COORDINATOR

Bill Knight, CIGA

Congratulations to William "Bill" Knight for his recent promotion to FAMU's first ERM Coordinator. Bill has over 23 years of audit experience. He has gained practical knowledge of the tools and techniques used in ERM by participating in over 12 annual risk assessments and successfully completing the COSO ERM certificate program. He has been an auditor for FAMU's Division of Audit for the past four years and enjoys learning how different business units work and relate to university strategic goals.

MAY 2022

INTERNAL AUDIT AWARENESS MONTH

IPPF's Core Principles for the Professional Practice for Internal Auditing



MAY IS INTERNATIONAL INTERNAL AUDIT AWARENESS MONTH!

BE A PART OF THE CELEBRATIONS!



Written By: Trystal Wright, Auditor & Editor-in-Chief

International Internal Audit Awareness Month was started by The Institute for Internal Auditors (IIA) in the 1990s and is celebrated every year in May. Internal Audit Awareness Month helps promote the value of internal audit both inside and outside of organizations.

WHAT IS AN INTERNAL AUDIT?

An internal audit is an independent, objective assurance and/or consulting activity designed to add value to and improve an organization's operations. Internal audits are designed to help an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

HOW DOES IT WORK?

Professionals called internal auditors are employed by organizations to perform internal auditing activities. An internal auditor often helps an organization achieve their goals by providing insight and recommendations based on analyses and assessments of data and business processes. With commitment to integrity and accountability, internal auditing provides value to governing bodies and senior management as an objective source of independent advice.



HOW DO WE CELEBRATE INTERNATIONAL INTERNAL AUDIT AWARENESS MONTH?

Every year FAMU's DoA hosts different activities in celebration of International Internal Audit Awareness Month. Last year, we announced our inaugural Virtual Scavenger Hunt. Faculty, staff and students who opted to participate in the scavenger hunt used FAMU's website to answer 5 questions for a chance to win \$40, \$25, and \$10 gift cards. The winners of the scavenger hunt were determined by their submission time and correct answers. In May 2021, we also hosted a Town Hall Question and Answer session, which allowed participants to submit questions to the panel in advance so that the questions could be answered during the Town Hall meeting. We are in the planning process for this year's International Internal Audit Awareness Month. **So, be on the look out for our announcements regarding activities for May 2022!**

Division of Audit Goes Agile!



Written By: Deidre Melton, Associate Vice President for Audit & Chief Risk Officer

The Division of Audit is a collaborative business partner for the University with a focus on enhancing stakeholder value by providing insights into opportunities to increase efficiency and effectiveness of policies, processes, and procedures. In essence, we serve as a driving force for championing continuous improvement to allow for better use of University resources and increased business and performance outcomes.

We believe in the old adage, “Practice What You Preach.” With that in mind, in the spring of 2021 we took a long hard look at our audit processes and identified several areas where we could improve. We needed to find a way to increase productivity, empower our team members, optimize communication with our stakeholders for a better customer experience, and improve overall project value through timely delivery of insights to enhance management decision making.

Next, we researched the best practices other audit shops were using to overcome similar challenges. We found that audit organizations facing similar challenges were having great success by moving from the traditional audit method to using agile auditing.

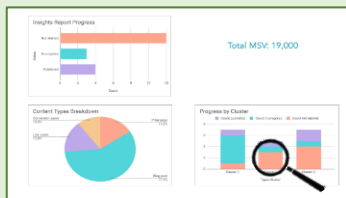
Agile auditing uses the agile methodology that comes from the software development world. Agile

auditing typically refers to working in short, iterative periods called sprints to perform the audit from planning to presenting and reviewing results. According to AuditBoard, “A recent AuditBoard poll of over 1,000 internal auditors found that 82% say agile auditing has the potential to add more value to their work compared to the traditional project approach.” [Here](#), you will find a graphic developed by AuditBoard, which depicts the differences between the traditional internal audit process and agile internal audit process.

Throughout the summer of 2021 and into the fall, the Division of Audit focused on training our staff on the agile audit methodology, updating our processes to include the agile audit methodology, and finally piloted the new agile audit methods in our 2021-2022 Performance Based Funding Data Integrity Audit.

When garnering feedback from management on their experience with our new agile process, Provost Maurice Edington said, “I love it!” He highlighted the new sprint reports that allowed him to stay informed of what was happening throughout the audit, the opportunity for staff to be able to proactively address any issues during the audit, and the overall increased and collaborative communication options. As we continue using our new agile audit approach in future engagements, we hope your experience is just as positive!

Benefits of Agile Auditing



Greater Transparency & Higher Quality Insights



Real-Time Assurance



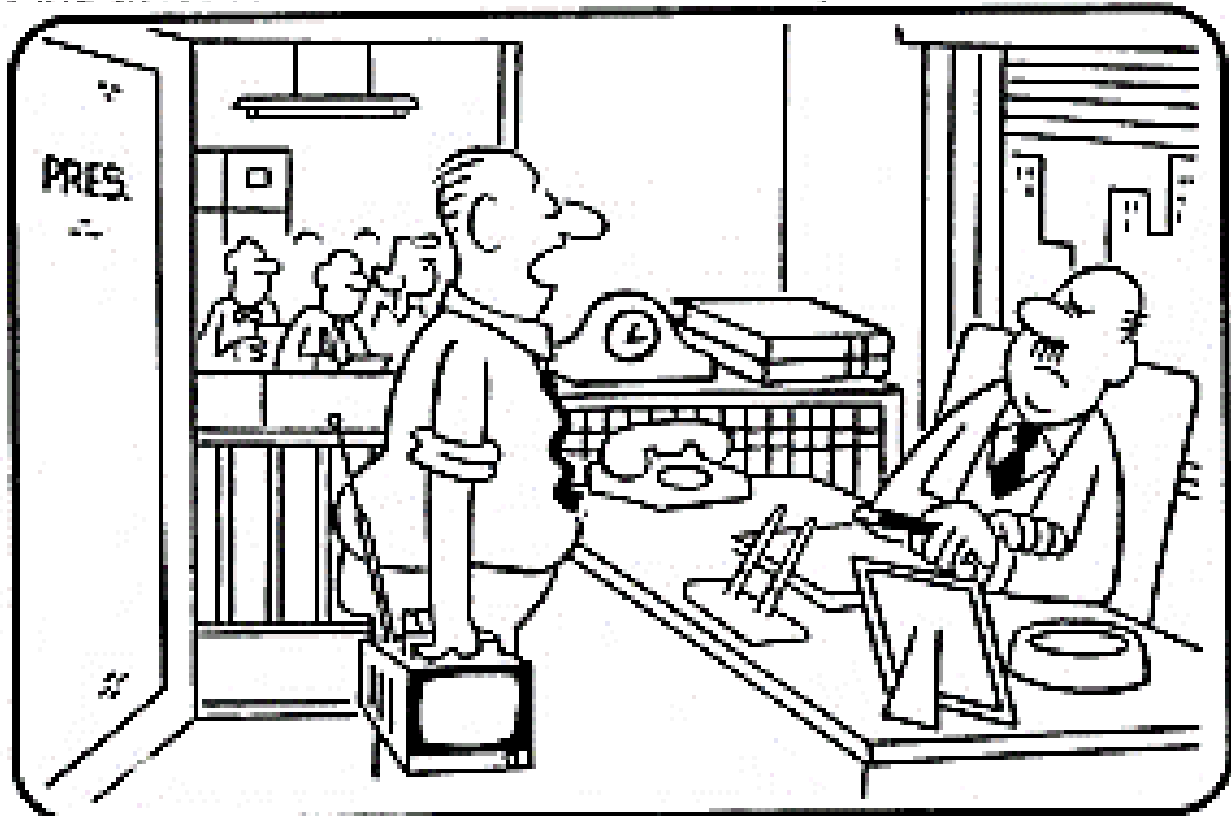
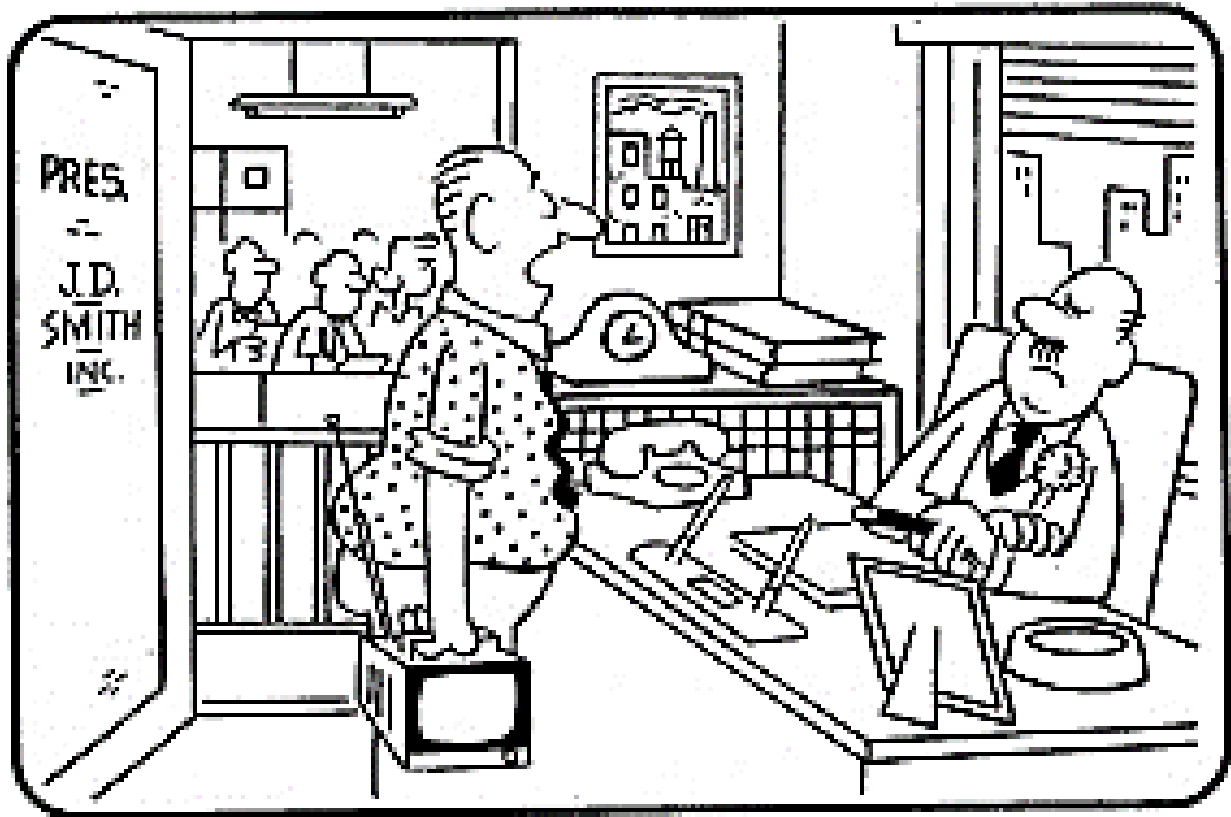
Increased Engagement with Stakeholders and Better Audit Experience



More Rapid Responses to Changing Business Needs

SPOT THE DIFFERENCES

Can you spot 6 differences between the two pictures below?





Reporting in Good Faith

Written By: Arriet Foster, Lead Senior Auditor and Investigator

Good Faith: What It Is

There are several ways Florida A&M University employees can report concerns to internal and external investigative entities. Within the University, you can notify your supervisor, call the Division of Audit, or use the Compliance and Ethics hotline which allows for anonymous reporting. Please keep in mind, if you file a report, or if you find yourself a participant in a University investigation, you have a duty to cooperate and share information in “good faith.”

What does it mean to report in good faith?

Our counterparts at the University of Iowa offer the following regarding "Good-faith": “Good-faith report” means disclosing University-related misconduct with a belief that what you are reporting is true. The expectation is that a reasonable person in the reporter's position would also come to the same conclusion based upon the facts. A report may be initiated in good faith regardless of whether the complaint is ultimately [substantiated] or [not substantiated]. A report is not in good faith if made with reckless disregard for or willful ignorance of facts that would disprove the report.

FAMU Regulation 1.023 states, “Anyone reporting an irregularity that is detected or suspected must be acting in good faith and have reasonable grounds for believing the information provided.” Anyone filing a report, or participating in an investigation, is expected to truthfully disclose information in “good faith,” that includes all managers, supervisors, and staff at every level of the University.

Reporting in Good Faith: What It Is Not

The reporting process should not be misused as a means to address everyday operational issues or to settle commonplace disagreements between colleagues, supervisors and employees. Employees are expected to perform their duties and managers are expected to manage their employees. Throughout the course of the investigation, we will do our due diligence to assess the truthfulness of the information and documentation provided to us. Accordingly, information communicated to an investigator should not be characteristic of a “bad faith” report.

Reporting in Bad Faith

A “bad faith” report may exhibit, but would not be limited to, any of the following characteristics:

Intentionally dishonest	Abuse of authority or position
Retaliatory	Unethical
Misleading	Deceptive
Unfair	Slanderous
Violating basic standards of honesty	Harmful

Consequences of Reporting in Bad Faith

Employees are expected to report concerns timely, honestly, and in good faith. According to FAMU Regulation 1.023, allegations made maliciously or with knowledge of their falsity will not be tolerated. If it is determined that an employee has participated in fraudulent, unethical, or dishonest conduct, including falsely reporting information or reporting in “bad faith,” that employee will be subject to disciplinary action (i.e. demotion, suspension, termination, etc.) in accordance with University policies and regulations and any applicable collective bargaining agreements.

Audit Reports

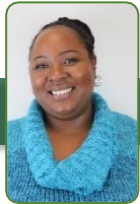
Written by: Ruoxu Li, Senior IT & Data Analytics Auditor



PERFORMANCE-BASED FUNDING AUDIT RESULTS

A recent 2021-2022 Performance-Based Funding Data Integrity Audit performed by the Division of Audit, concluded that FAMU's controls and processes are adequate to ensure the completeness, accuracy, and timeliness of data submitted to the FLBOG to support performance-based funding decisions. There were no material errors found within the data files submitted by FAMU that would impact FAMU's overall ranking among SUS institutions. Click [here](#) to see the Audit Report.

2021 Florida Agricultural & Mechanical University Performance-Based Funding Metrics	
1	Percent of Bachelor's Graduates Employed and/or Continuing their Education Further One Year after Graduation
2	Median Wages of Bachelor's Graduates Employed Full-time
3	Average Cost to the Student (Net Tuition & Fees for Resident Undergraduates per 120 Credit Hours)
4	Four Year Graduation Rate (FTIC)
5	Academic Progress Rate (2nd Year Retention with Grade Point Average Above 2.0)
6	Bachelor's Degrees Awarded in Programs of Strategic Emphasis (PSE)
7	University Access Rate (Percent of Undergraduates with a Pell-grant)
8	Graduate Degrees Awarded in Programs of Strategic Emphasis (PSE)
9a	Two-Year Graduation Rate for Florida College System (FCS) Associate in Arts (AA) Transfer Student
9b	Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year
10a	FAMU Board of Trustees Choice - Number of Bachelor's Degrees Awarded to Transfers with AA Degrees from FCS



Written By: Trystal Wright, Auditor & Editor-in-Chief

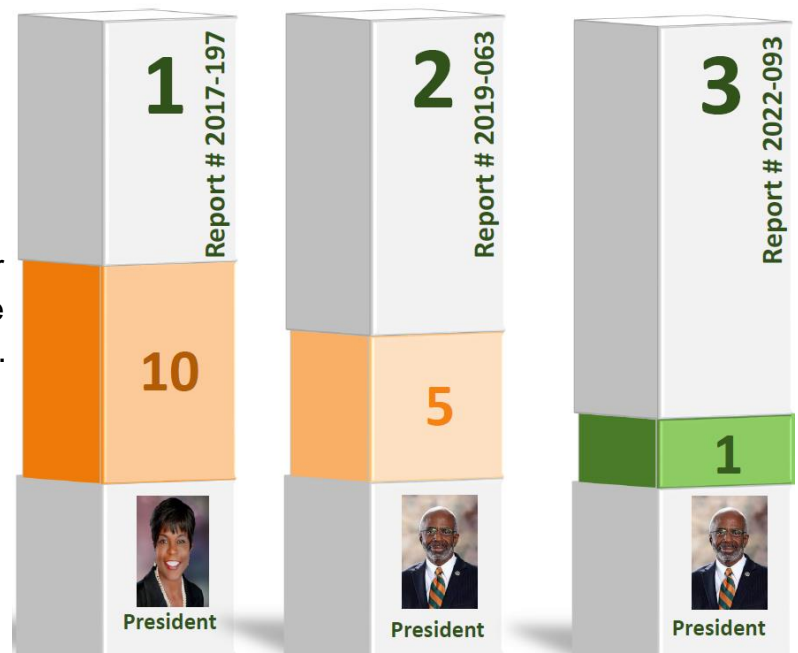
OPERATIONAL AUDIT RESULTS

We are pleased to announce another monumental accomplishment by our illustrious FAMUly! The most recent [Auditor General Operational Audit](#) shows that FAMU has demonstrated an increased focus on compliance, internal controls, and accountability.

Five years ago, FAMU had 10 audit findings in its Operational Audit Report. Three years ago, under the leadership of Dr. Robinson, we decreased the number of audit findings in half, to only 5 findings. And now, we have receiving only one finding.

Congratulations to Dr. Robinson and all of FAMU management, faculty, and staff for helping to make this possible! Let's keep up the good work & keep striking from the top!

OF AG OPERATIONAL AUDIT FINDINGS





...MORE SPOTLIGHTS



15 YEAR ANNIVERSARY

Debra Barrington

Congratulations Ms. Barrington for 15 years of service at FAMU! After a brief departure, Ms. Barrington returned to FAMU in January 2007. She believes working at FAMU has always been interesting. She likes that there are always different challenges and that you can see the effects of your labor. She loves the opportunity to meet new people and to learn about the different academic areas and departments. When not at work she enjoys spending time with family and friends, visiting the elderly, cooking, eating, playing cards, traveling, and attending events. In the next five years she sees herself safe, healthy, prosperous, retired, and traveling. She hopes to continue to touch the lives of others so they too can live, laugh, and love.



Deidre Melton



Joe Maleszewski

and

Congratulations to Deidre and Joe for their stellar presentation on “Practical Plans for Implementing the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management Model” at the annual Association of Government Accountants (AGA) 2022 Government Training Event. This presentation established FAMU as a local leader in this forward-thinking future-focused process.

DoA VISION

We will be championed by our customers, benchmarked by our peers (counterparts), and dedicated to excellence in our products and services.

DoA MISSION

Our mission is to add value to FAMU and its stakeholders by promoting accountability, integrity, and efficiency through excellence in auditing, investigations, advisory services, risk management, management reviews, and technical assistance.

RESOURCES

Need to file a complaint or make a report to the DoA?

You can reach DOA by emailing us at DivisionofAudit@famu.edu or by phone at 850-412-5479.

Complaints can also be submitted via the University's Compliance and Ethics website which allows anonymous reporting.



[Click on this link to file an Ethics Report.](#)

We look forward to hearing from you.

Did you enjoy reading...

The Division of Audit's **The Audit Report Magazine**? [Click here](#) to find previous issues on the Division of Audit's website.



Fraud Education and Resources

Want to know more about how to prevent, detect and address fraud within the University or in your day to day life?

Check out some of the resources listed below:

[Association of Certified Fraud Examiners](#)

[AGA Fraud Resources](#)

[FAMU Division of Audit](#)

[FRAUD Magazine](#)

[Institute of Internal Auditors Fraud Resources](#)

Additional DoA Resources

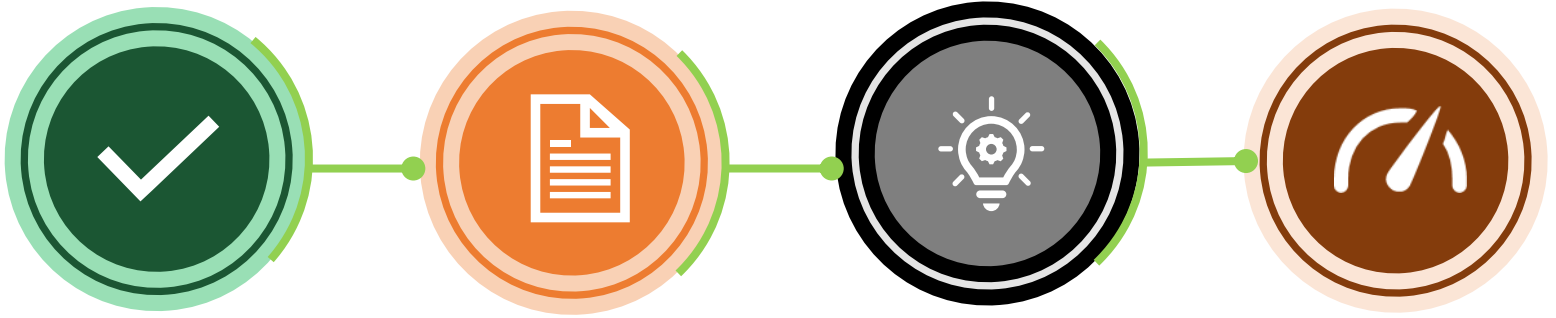
[The Audit Charter](#)

[Audit Reports](#)

[ERM, Training, & Other Resources](#)

ACCOUNTABILITY • INTEGRITY • EFFICIENCY
FAIRNESS • OBJECTIVITY • PROFESSIONALISM

FY JULY 2021 – JUNE 2022: Audit Workplan Status



Complete

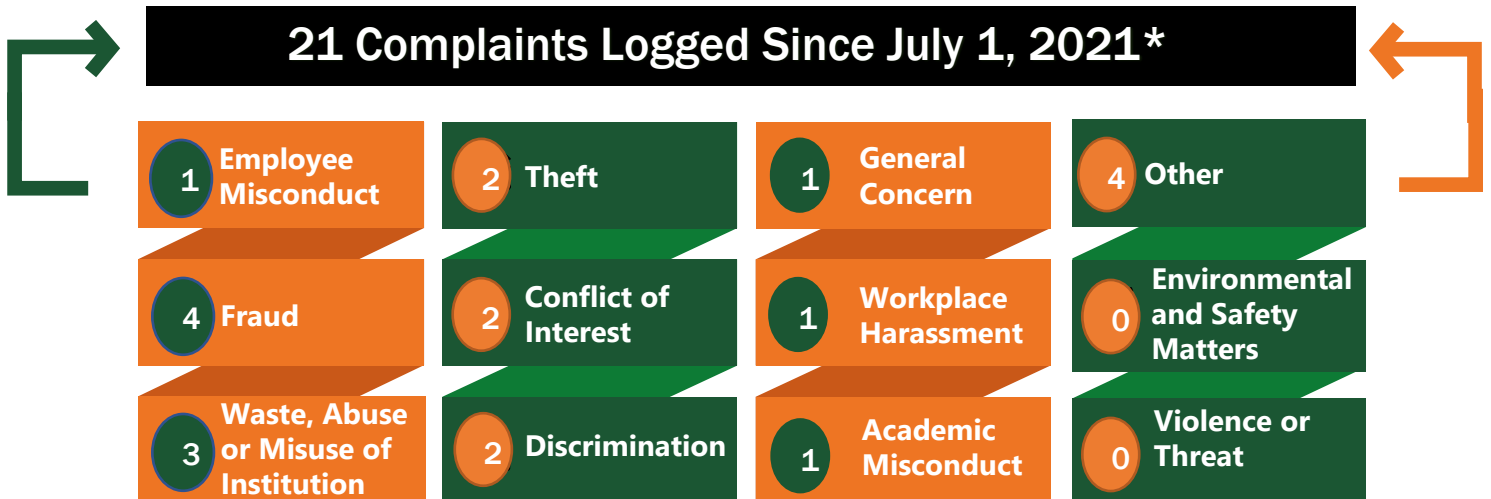
Reporting

In-Progress

Deferred

- Performance Based Funding Audit
- 2021 Knight Foundation Expenditure Review
- CAFS Advisory (Planning)
- FAMU Foundation – Endowment Operations
- 2020 Knight Foundation Expenditure Review
- Athletics Auxiliary Transfer Review
- Title IX (Planning)
- Athletics Budget Process
- Federal Stimulus Funding (Internal Reviews)
- IT – Remote Working
- Intern Controls Assurance Statement (Planning)
- Controller’s Office Advisory
- FAMU-FSU Joint College of Engineering Audit
- Procurement Services Advisory (Fieldwork)
- Continuous Monitoring Services Projects

JULY 2021 – Present: Investigations Data



*This chart represents cases in which DoA was involved, including investigations referred out to other units or split between University investigative units.



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<https://www.famu.edu/administration/audit/>

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"At FAMU, Great Things are Happening Every Day!"