

Audit Committee Meeting

Monday, October 3, 2022 | 4 p.m. – 5 p.m.

Agenda

- I. **Call to Order**
- II. **Roll Call**
- III. **Conflict of Interest Disclosure**
- IV. **Approval of Minutes**
 - a. June 2, 2022, Audit Committee Meeting.
- V. **Old Business**
 - a. Update: FBOG Audit (Crowe).
 - b. Update: 2022 Operational Audit.
 - c. Update: Review of Endowments by FAMU Division of Audit and Compliance.
- VI. **Presentation by BCA Watson Rice**
- VII. **New Business**
 - a. Review and Approval of Fiscal Year 2021-2022 Financial Statements.
- VIII. **Other Items**
- IX. **Adjournment**

FAMU Foundation Board of Directors

Vision

To be a global leader in the transformation of lives, one scholar at a time.

Mission

We will assist the University in achieving its mission by raising and stewarding contributions through exceptional management, investment, and administration of assets received.

Audit Committee Meeting Minutes

Spring 2022 FAMU Foundation Board Meeting | June 1-3, 2022
Thursday, June 2, 2022 | 11:20 a.m. – 12:20 a.m. EDT
Florida A&M University | H. Manning Efferson Student Union Multi-Purpose Room

Committee Members Present

Dir. John L. Green, *Chair*
Dir. Chan Bryant Abney
Dir. Monica Williams Harris

Dir. Twuanna Munroe Ward, *Vice Chair*
Dir. Hosetta Coleman

Committee Members Not Present

Dir. W. Rebecca Brown
Dir. Kenneth Neighbors

Dir. Lorin Crenshaw
Dir. Akunna Olumba

Guests Present

Dir. Angela Adderley
Dir. Jemal Gibson
Dir. Lenetra King
Dir. Shawnta Friday-Stroud
Mr. Ronald Thompkins, *BCA Watson Rice*

Dir. Elaine Armster
Dir. Laurence Humphries
Dir. Freddie Raines
Atty. J. Michael Haygood, *Found. Gen. Counsel*
Mrs. Carshena Allison, *BCA Watson Rice*

Advancement Team Members Present

Ms. Kimberly Brown
Mrs. Brandi Tatum-Fedrick
Mrs. Audrey Simmons Smith
Dr. Eric Swanigan

Mr. Nick Dulcio
Ms. Kimberly Hankerson
Mrs. Quiana Cunningham-Lowe

Call to Order & Roll Call

The meeting was called to order at 11:22 a.m. by Chair John L. Green. Ms. Kimberly Brown offered the roll call and determined a quorum was present.

Conflict of Interest Disclosure

Chair Green requested that committee members disclose any conflict of interest with items on the agenda; none were disclosed.

Approval of Minutes

October 4, 2021, Audit Committee Meeting

Dir. Monica Williams Harris made a motion to approve the minutes. Dir. Chan Bryant Abney seconded the motion. The minutes were approved, unanimously.

Status of Action Items

Presentation by BCA Watson Rice

Mr. Ronald Thompkins introduced Mrs. Carshena Allison, both of BCA Watson Rice, to provide the presentation to the Committee. Mrs. Allison presented an overview of the Foundation's FY 2021-2022 Annual Financial Audit.

- Engagement Team
 - Carshena T. Allison, CPA, MBA - Engagement Partner
 - Ronald Thompkins, CPA, CGMA - Concurring Review Partner
 - Gina Vancol – Senior Associate
 - Supporting Staff

Mrs. Allison provided the Committee with a detailing of the firm’s approach to conducting the Audit, principal areas of audit emphasis, planned deliverables, IRS Form 990, and the audit timeline.

- Specific Dates of Audit Timeline
 - Interim Fieldwork – Mid July
 - Staff to return IRS Form 990 – Late July
 - Submission Deadline: November 15th
 - Final Fieldwork - August
 - Issuance of Draft Report and Management Letter - Early September
 - Presentation of Audit Results – Late September
 - Issuance of Final Report – October
 - Presentation of Form 990 – November Board Meeting

Update: Review of Endowments by FAMU Division of Audit and Compliance

Dr. Friday-Stroud informed the Committee that the Division of Audit and Compliance still has the review of the endowments on their action item list, but due to current staff turnover, they are unable to provide a date-certain for when the office can begin conducting their review. Dr. Friday-Stroud stated that she would inform the Committee once the review of endowments began.

Update: FBOG Audit (Crowe)

Dr. Friday-Stroud reminded the committee that the Florida Board of Governors (FBOG) contracted with Crowe LLP to conduct audits of all Direct Support Organizations (DSOs) in each of the twelve state’s public universities. The Foundation was within the first group of DSOs to go through the audit and are still awaiting the final report.

Dr. Friday-Stroud stated that the firm did provide some preliminary results that may or may not rise to the level of an audit finding. The preliminary outcomes primarily regarded the timeliness of recording reconciliations within 30-days, process for recording of physical assets via an annual inventory, and a process whereby bill payment reconciliations are signed and recorded by a designated staff member. She relayed to the committee that the Rattler Boosters had requested, and the Board of Trustees subsequently approved their opening of an outside bank account for operational expenses. This request was because of preliminary recommendations from the Crowe LLP audit of the Rattler Boosters.

The committee discussed the expected timeframe for issuance of the final audit report from Crowe LLP and requested that an update be provided at the next committee meeting. Dr. Friday-Stroud shared with the Committee that the Foundation has implemented changes to operational procedures based on the firm’s preliminary suggestions and that the Foundation is working closely with the Division of Audit to ensure compliance with established policies of the University.

Review of 2022 Operational Audit RFP Process

Dr. Friday-Stroud provided an overview of the 2022 Operational Audit RFP Process. She stated that, per the Foundation Bylaws, the Foundation must conduct an operational audit every 3 years.

Operational Audit Key Events Timeline:

- Issue Request for RFP: June 20, 2022.
- Deadline for Receipt of Formal Proposals: July 11, 2022.
- Review and Approval of Firm: July 18, 2022.
- Review Contract & Terms of Agreement: July 25, 2022.
- Expected Contract Commencement & Duration: August 8, 2022 – October 8, 2022.
- Review with Board at November 2022 meeting: November 16-19, 2022.

Other Items

There were no other items that needed to come before the committee.

Action Items

- 1) Advancement Team will move forward with FY 2021-2022 Financial Audit, Form 990 and 2022 Operational Audit.
- 2) Committee will receive updates on FBOG DSOs Audit and Review of Endowments by FAMU Division of Audit at next committee meeting.

Adjournment | Minutes Prepared By

There being no further business, Dir. Monica Williams Harris moved to adjourn the meeting. Dir. Chan Bryant Abney seconded the motion. The meeting was adjourned, by unanimous approval, at 12:03 p.m. Ms. Kimberly Brown prepared the minutes.

Florida A&M University Foundation Board of Directors
Audit Committee
Informational Item – Old Business V. (c)

Update on Action Items from June 2, 2022 Committee Meeting

Dir. John Green, Committee Chair

Item Summary

1. **FBOG Audit (Crowe):** Crowe's final report had no findings for the FAMU Foundation, Inc. Internally, University Advancement submitted a corrective action plan for Crowe's preliminary observations to close out the request from the University's Division Audit.

2. **2022 Operational Audit:** In Progress

3. **Review of Endowments by FAMU Division of Audit and Compliance:** Audit and Compliance still has this on their action item list, but due to turnover, they are unable to provide a date for review.