FLORIDA A&M UNIVERSITY
Board of Trustees

Audit and Compliance Committee Meeting
Tuesday, May 28, 2024
10:00 a.m.

Committee Members: Michael White, Chair
Otis Cliatt, II; John Crossman (Vice Chair); Natlie G. Figgers; Kristin Harper;
Loryn May; Belvin Perry

AGENDA

I.	Call to Order	Trustee Michael White
II.	Roll Call	Ms. Debra Barrington

ACTION ITEMS

III.	Minutes: Consideration of Approval – March 6, 2024	Trustee White
IV.	FY 2024-2025 Division of Audit Work Plan	J. Maleszewski

INFORMATIONAL ITEMS

Division of Audit: J. Maleszewski/D. Melton

V.	Risk Assessment
VI.	I/C Assessment – President Robinson's I/C Assurance Statement
VII.	Audit and Investigative Follow-up
VIII.	External Audit Updates
IX.	Standards Update
X.	ERM Update
XI.	Division of Audit Update
XII.	Adjournment

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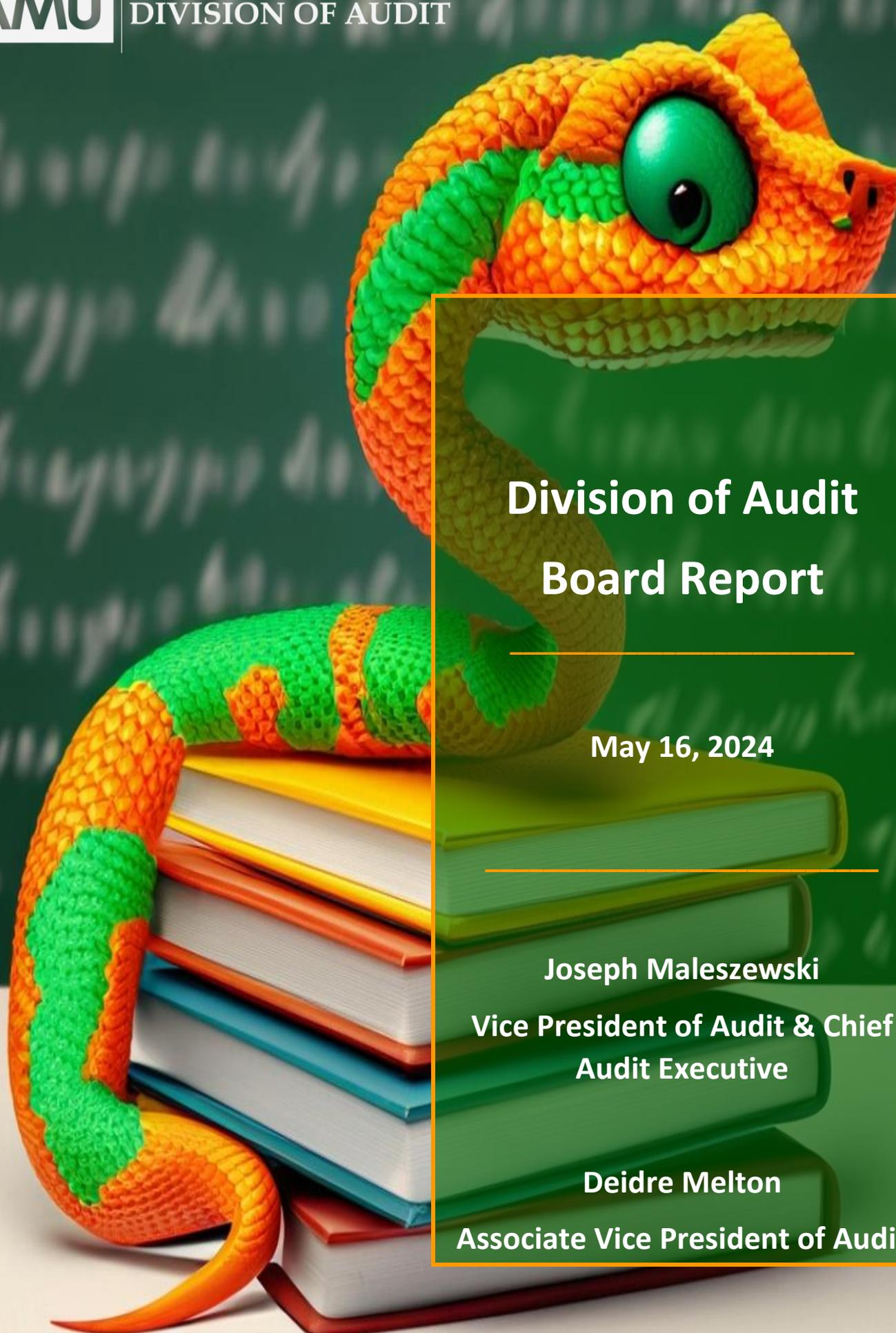
Division of Audit

Board Report

May 16, 2024

Joseph Maleszewski

Vice President of Audit & Chief Audit Executive

Deidre Melton

Associate Vice President of Audit

Board of Trustees Duties

Dear Esteemed Members of the FAMU Board of Trustees,

I commend your commitment to accountability, integrity, and the highest standards of moral and ethical behavior. As stewards of FAMU, your role is pivotal in ensuring the University's success while adhering to legal requirements and fulfilling fiduciary duties. Recently we had the privilege of hearing from Ms. Patricia "Pat" Gleason, a distinguished Florida Attorney from the Office of the Attorney General, who shared insights on the Government in the Sunshine laws and related regulations. These laws promote transparency, openness, and accessibility in public meetings and records. Let us actively embrace these principles to maintain public trust and confidence in FAMU.

I encourage you, as Trustees, to continue to familiarize yourselves with the requirements imposed by Florida law, Board of Governors (BOG) regulations, and our accrediting bodies as these will inform your oversight and fiduciary duties.

As stewards of public trust, we must adhere to ethical standards including those contained in the Florida Code of Ethics for Public Officers and Employees (Part III, Chapter 112, Florida Statutes) related to gifts, voting conflicts, misuse of office, and more. To enhance our understanding, I have invited Kerrie Stillman, Executive Director for the Florida Commission on Ethics, to a future meeting. Her insights will enrich and inform our commitment to ethical conduct.

Remember, our mantra remains "Noses in, fingers out." Let us diligently oversee strategy and policy without micromanaging daily operations. Together, we can propel FAMU toward excellence while upholding our fiduciary responsibilities.

Thank you for your unwavering dedication to our beloved institution.

Sincerely,

Vice President for Audit and Chief Audit Executive

Embracing Innovation and Excellence in Audit and Enterprise Risk Management

Dear Board of Trustees Members,

As we conclude another successful year within the Division of Audit, I am pleased to report significant progress and accomplishments in our Internal Audit and Enterprise Risk Management (ERM) functions. Our team has diligently upheld the highest standards of integrity and professionalism, effectively strengthening our institution's risk posture.

This past year, we enhanced our audit processes and risk management strategies, leading to more robust governance and oversight. Our proactive approach has not only mitigated risks but also fostered a culture of continuous improvement across the university.

Looking ahead to the next fiscal year, we are excited to embark on several strategic initiatives aimed at further elevating our effectiveness and efficiency. Key among our priorities is the alignment of our processes with the new Global Internal Audit Standards. This alignment will ensure that our practices remain at the forefront of industry standards and best practices.

We are also thrilled to announce the upcoming migration to Workiva, a state-of-the-art platform that will revolutionize our internal audit and ERM processes. By leveraging Workiva, we anticipate enhanced process automation and improved communication capabilities through real-time dashboards. This transition is expected to significantly increase our operational efficiency and provide greater transparency into our audit and risk management activities.

Furthermore, we are committed to enhancing internal control awareness and integrating best practices throughout our campus. This initiative will involve targeted outreach and education, ensuring that all departments are equipped with the necessary tools and knowledge to effectively manage their respective risks.

In closing, I would like to extend my deepest gratitude to the Board for your ongoing support and guidance. Your commitment to excellence and governance continues to inspire our team. We look forward to another year of making meaningful contributions to our university's mission and strategic objectives.

Warm regards,

Deidre Melton

Associate Vice President for Audit and Chief Risk Officer

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Internal Audit Activities

Audit Work Plan			
Project	**Projected Completion**	**Status**	**Issues Identified**
Financial Aid Audit	Quarter 3	Reporting	N/A
Athletics Financial Review: Spring 2023	Quarter 4	Reporting	N/A
Gramm Leach Bliley Act	Quarter 3	Reporting	N/A
Performance-Based Funding Data Integrity Audit	Quarter 3	Complete	N/A
Athletics Financial Review: Fall 2023	Quarter 4	Reporting	N/A
Post-Tenure Review Audit	Quarter 4	Fieldwork	N/A
Foreign Influence Audit	Quarter 4	Planning	N/A

Status of Correct Actions for Open Audit Issues since June 2023

Florida Board of Governors Regulation [4.002 State University System Chief Audit Executive](#), Section 3(b) requires the chief audit executive to report on the progress made by management in implementing corrective actions.

6 Open Audit Issues

- High (red)
- Medium (yellow)
- Low (green)

Categories: Bragg Stadium Safety and Security; Emergency Preparedness

Bragg Stadium Safety and Security (*Open Issues: 2*)

Executive Owner: Tiffani-Dawn Sykes, Vice President for Athletics/AD

- **ADA Guardrail Compliance** - The height (in certain areas) and construction of the guardrails are not compliant, in accordance with the Florida Building Code: FBC-B 1015. The University is currently looking at the most cost-effective way to address this concern and is awaiting design and pricing from the consultant/general contractor. Until these areas are addressed, the Building code official recommended that the University install "caution signage" to bring awareness to the individuals seated in these areas. **(Status- OPEN; Risk Level- LOW)**

- **ADA Restroom Compliance** – Restrooms are not fully ADA compliant, in accordance with certain elements of Florida Building Code *Chapter 6: Plumbing Elements and Facilities*. The University is currently looking at the most cost-effective way to address this concern and is awaiting design and pricing from the consultant/general contractor. Until these areas are addressed, the University has contracted with a vendor to provide ADA accessible restrooms during events held at the stadium. **(Status- OPEN; Risk Level- LOW)**

Emergency Preparedness (*Open Issues: 1*)

Executive Owner: Keith Miles, Director of Communications

- **Crisis Communication Plans for Emergency Events -** The crisis communication plan needs to be enhanced based on feedback received during the May 23, 2023, hurricane table top exercise. **(Status- OPEN; Risk Level- HIGH)**

Security Plan Audit (Open Issues: CONFIDENTIAL)

Executive Owner: Robert Seniors, Vice President for Information Technology Services/CIO

- The referenced audit issues are considered confidential in accordance with Florida Statute 1004.055 *Security of Data and Information Technology in State Postsecondary Education Institutions*. A detailed review of progress made on corrective actions taken to resolve issues identified during the 2022 Security Plan Audit will be provided to Board of Trustees members during the September 2024 Cybersecurity Closed Door Session. Board members are entitled to a one-on-one briefing prior to this meeting and can request a briefing by contacting Joseph Maleszewski, Vice President for Audit/CAE at joseph.maleszewski@famu.edu.

The Division of Audit functions as the University's official liaison for external auditors to assist management with meeting the requests and understanding various audit requirements. We also monitor the implementation status of audit recommendations, including recommendations with long implementation timelines to ensure they are progressing.

The chart below provides an overview of external audits currently in-progress or recently concluded since our September 2023, report to the Audit and Compliance Committee.

Current Status of External Audits		
Audit	**Current Status**	**Comments**
Florida Auditor General Financial Statements Audit (FY2023)	Complete	The Auditor General performed the Financial Statement Audit for the period ending June 30, 2023, and issued an unmodified opinion. There were no compliance or internal controls issues noted.
Florida Auditor General Operational Audit (FY2023)	In-Progress	The Auditor General began fieldwork in the Spring, with plans to finalize and issue a report by early 2025.
Thomas, Howell, Ferguson (THF) Athletics Financial Statement Audit (FYE 2022 and FYE 2023)	In-Progress	We are under contract with THF to perform the FY22 and FY23 audits. THF is currently performing audit fieldwork.
Thomas, Howell, Ferguson (THF) Athletics Agreed Upon Procedures (FYE 2023)	Complete	The NCAA-required Operating and Capital Financial Data Report, submitted January 15, 2024, was prepared in collaboration with THF and was not subjected to independent assurance procedures required by the NCAA.

Athletic Action Plan (ACP) Assurance Services
Executive Owner: Tiffani-Dawn Sykes, Vice President for Athletics/AD
ACP Workgroup Chair: Donald Palm, Executive Vice President/COO

The recommendations from the ACP audit report from Thomas Howell Ferguson was integrated into a Modified Athletic Action Plan in November 2023. The Athletic Action Plan Workgroup began meeting in March 2023 to implement the Modified Athletic Action Plan.

Advisory Activities

Advisory Work Plan		
Project	**Projected Completion**	**Status**
Academic Affairs: Faculty & Student Experience	Quarter 3	Reporting
Academic Affairs: Performance Based Funding	Quarter 1	Postponed
Academic Affairs: National Rankings	Quarter 1	Postponed
Academic Affairs: Strategic Plan	Quarter 2	Postponed
Academic Affairs: Operations	Quarter 3	Postponed
Cybersecurity Maturity Model Certification Level 1 Assessment	Quarter 4	Postponed
Campus Safety & Security	Quarter 4	Planning

Status of Correct Actions for Open Advisory Issues since June 2023

Institute of Internal Audit Standards, 2500 – Monitoring Progress, requires the internal audit activity to monitor the disposition of results of consulting engagements to the extent agreed upon with the client. The Division of Audit monitors corrective actions only for recommendations accepted by management during the consulting engagement. Accepted recommendations and corrective action plans are confirmed by both the division vice president and chief operating officer for monitoring.

2022 Procurement Services

Executive Owner: W. Rebecca Brown, Vice President for Finance and Administration

- A total of 34 recommendations were agreed upon by Procurement Services management.
- Six (6) of those recommendations have been successfully implemented.
- Twenty-six (26) of the recommendations remain open, of which:
  - Seven (7) are past their due date; and related to updating the Contract Management Manual, implementing a comprehensive Contract Management System and other control activities to increase efficiency, as well as implementing the use of surveys to analyze and improve customer service.
  - Ten (10) require an implementation date to be set; and are related to updating the Procurement and P-Card Manual and implementing IT controls and monitoring activities.
  - Five (5) require clarification or additional information; and related to IT control activities, updating the Procurement Manual, and updating P-Card and Contract Management Training.
  - four (4) have future implementation dates; three (3) are expected to be completed by fiscal year-end 2024, one (1) is expected to be completed Fall 2024 or Spring 2025.
- Two (2) of the recommendations are pending closure until revised Manuals are submitted for review.

2022 Title IX Control Self-Assessment (Closed Recommendations: 12)

Executive Owner: Rica Calhoun, Chief Compliance and Ethics Officer

- All recommendations related to the Title IX report have been implemented since our report in March 2024.

Congratulations on
Completing Your CAP!

The Division of Audit Wants to Acknowledge and Congratulate

Office of Equal Opportunity Programs
and
Office of Compliance & Ethics

For Successfully Completing Your Corrective Action Plan for the

22-23 Title IX Control Self-Assessment

We appreciate your commitment and dedication to excellence. We are sure your updated processes will add an abundance of value to your team and the University as a whole!

Completion Date:
April 2, 2024

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Remote Work - IT Controls (Open Recommendations: CONFIDENTIAL)

Executive Owner: Robert Seniors, Vice President for Information Technology Services/CIO

- The referenced advisory recommendations are considered confidential in accordance with Florida Statute 1004.055 *Security of Data and Information Technology in State Postsecondary Education Institutions*. A detailed review of progress made on corrective actions taken to resolve issues identified during the 2022 Security Plan Audit will be provided to Board of Trustees members during the September 2024 Cybersecurity Closed Door Session. Board members are entitled to a one-on-one briefing prior to this meeting and can request a briefing by contacting Joseph Maleszewski, Vice President for Audit/CAE at joseph.maleszewski@famu.edu.

The Division of Audit (DoA) is authorized to perform investigations into allegations of fraud, waste, abuse, and whistleblower disclosures.

The DoA manages cases, such as investigations, preliminary inquiries, and management referrals. Our team also works in conjunction with other departments on referrals. In addition, we assess statutory whistle-blower information, determine whistle-blower designation, and ensure our activities comply with Florida's Whistle-blower Act (Sections 112.3187-112.31895, Florida Statutes).

In accordance with the DoA Charter, investigation activities will conform to standards found in the *Principles and Standards for Offices of Inspector General* published by the Association of Inspectors General, and professional standards issued for the State University System of Florida entitled *Standards for Complaint Handling and Investigations for the State University System of Florida*.

The following information is designed to keep the Board of Trustees informed regarding DoA investigative activities for Fiscal Year 2023-2024.

DoA Investigative Workload - FY 2023-2024

For the Fiscal Year to date, we have received 25 complaints. Some of those complaints did not meet the investigative criteria and were referred to management for review and response. The remainder were assigned for investigation. Since the beginning of the Fiscal Year, our office has completed and closed 14 cases. This following summary reflects the diligent progress and ongoing efforts of the DoA investigative endeavors.

2023-2024 Investigative Services
25 Complaints Received
As of May 7, 2024
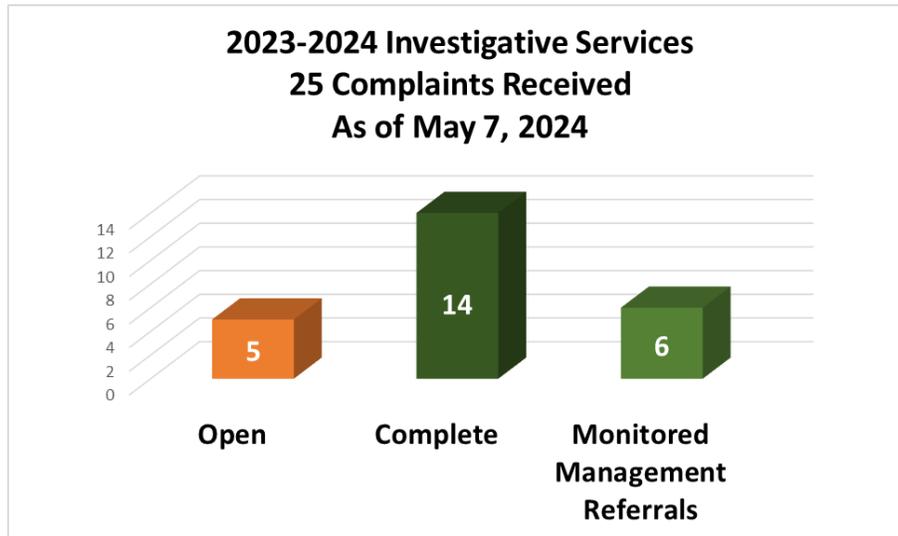
Open Investigation Cases Breakdown

The DoA had 12 investigative projects carry over from the prior fiscal year, some of which have been completed and some which are still in progress. Presently, there are a total of 23 active investigative projects. Among those 15 are investigations and 8, that did not meet investigative criteria, were referred for management review and response.

The table below summarizes the open investigative issues by type of concern.

Open Investigative Issues	Count	%
Accounting and Auditing	4	17%
Conflict of Interest*	1	4%
Discrimination or Harassment*	1	4%
Fraud	4	17%
General Concern	7	30%
Legal or Regulatory Violation	1	4%
Mismanagement of University Resources	1	4%
Other	1	4%
Sexual Harassment	1	4%
Waste, Abuse, Misuse of Institution Resources	2	9%
Grand Total	23	

Although these issues originated as either a conflict of interest or discrimination or harassment they contained elements appropriate for the Division of Audit jurisdiction.

Status of Management Actions for Open Investigation Recommendations since February 2024

DoA collaborated with management to understand the measures taken since the last report to the Audit and Compliance Committee. The table below summarizes the status of management actions.
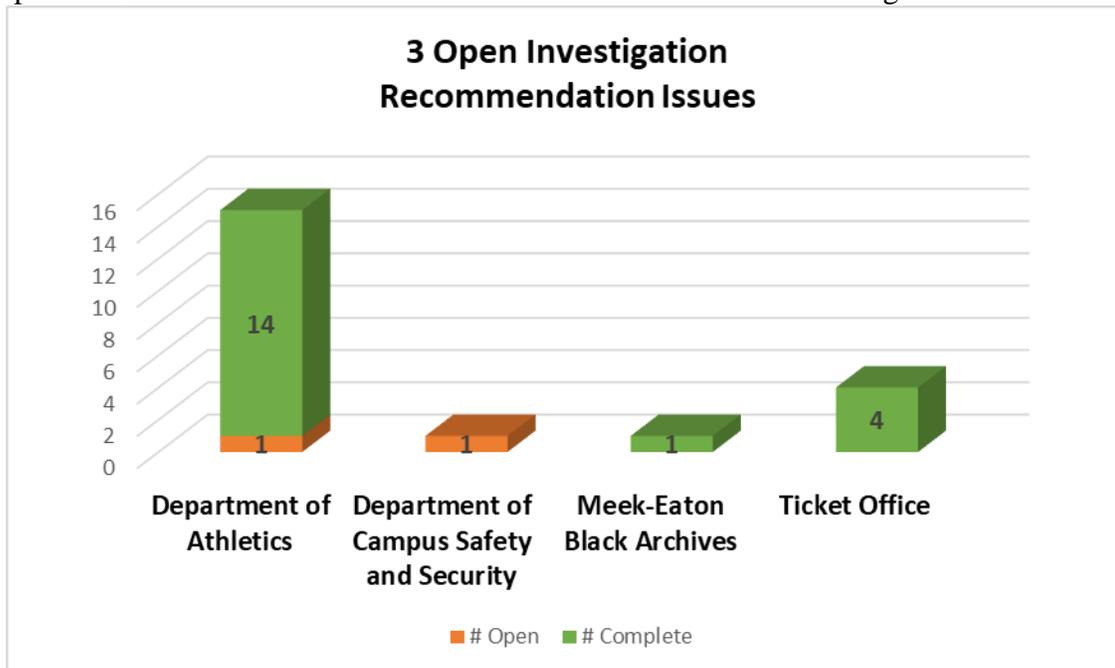
Note: Originally there were 15 recommended items for the Department of Athletics, 13 of those items were previously closed.

Department of Athletics Inventory Management (1 Open Recommendations and 1 Closed Recommendation)

Executive Owner: Marcus Grant, Deputy Athletic Director

- **Develop and maintain an inventory control system** – Athletics hired part-time staff in January 2023 and August 2023 to assist in this area. Athletics acquired inventory software. Staff have been trained and they are currently using the software. Inventory will be signed out by the recipient. Athletics is exploring best practices which support the sale of equipment and apparel to the community. Athletics is also looking to provide surplus equipment to the FAMU DRS. Athletics has reached out to the Equipment Office and Property Records to determine the appropriate procedures for disposal of property. Athletics will continue to work with appropriate stakeholders to ensure that the department is complying with guidelines.
(Status – Complete; Risk Level - Low)

- **Develop and implement a method for tracking apparel that is given to University employees, and work with the Division of Finance and Administration to ensure proper reporting of apparel as additional income in accordance with IRS guidelines** - The Department of Athletics purchased inventory software, which will allow them to track apparel. The implementation process consists of two phases, the first of which involves uploading all employee names into the tracking system, and this phase is presently underway. Athletics plans to meet with the Division of Finance and Administration regarding the proper reporting of apparel based on IRS guidelines.
Status – Open; Risk Level - Moderate; Anticipated Completion – June 30, 2024)

Meek-Eaton Black Archives Montague Collection (1 Closed Recommendation)

Executive Owner: Timothy Barber, Director, Meek-Eaton Black Archives

- **Ensure Montague Collection agreement is in place for University possession: Recommendation:** The MEBA Director worked with the University COO and General Counsel. The collection has been removed. (**Status – Complete; Risk Level – Low**)

Department of Campus Safety and Security Staffing Level (1 Open Recommendation)

Executive Owner: John A Cotton, Jr. Interim Chief, DCSS

- **Evaluate campus security staffing levels:** DCSS has filled 5 out of 10 vacant positions, with six candidates initially hired. Unfortunately, one of the new hires resigned due to a more competitive offer elsewhere. Interviews for the remaining vacancies were conducted this week. The training for new officers is a comprehensive four-month program, including two weeks of in-house training followed by 3.5 weeks of field training. DCSS has three training officers, but one has resigned, leaving the department short-staffed for training new recruits. DCSS also sparingly uses the DRS' resource school officer for assistance because the RSO must always remain on the DRS campus as a safety protocol.
(**Status – Open; Risk Level – High; Anticipated Completion – TBA**)

Ticket Office (4 Closed Recommendations)

Executive Owner: W. Rebecca Brown, Vice President for Administration and Finance/CFO

- **Determine if resale of complimentary tickets were taxable income:** The Ticket Office consulted with the Office of Human Resources and the Controller's Office. Both Offices will review the case and make appropriate adjustments to the employee's W-2, as required by the law.
(**Status – Complete; Risk Level – Low**)

- **Develop and implement policy to address resale of tickets to align with NCAA guidance and the University's current position:** In accordance with the NCAA guidelines, the complimentary ticket procedure has been revised and approved by the President's designee, Vice President for Finance and Administration and CFO.
(**Status – Closed; Risk Level – Low**)

- **Develop a timeline for revision and completion of updated policies and procedures to address request, distribution, and tracking complimentary tickets.** In accordance with the NCAA guidelines, the internal complimentary ticket policy/procedure has been revised and approved by the President's designee, Vice President for Finance and Administration and CFO.
(**Status – Complete; Risk Level – Low**)

- **Develop processes for reporting, documenting, and investigating criminal activity and determine whether to pursue criminal charges**: Once an event of criminal activity is reported to the President, the General Counsel, the Division of Audit, or the Chief of Campus Safety and Security, a report will be filed with the FAMU Police Department. A criminal case number will be generated, and a report will be taken documenting the elements of the crime reported. An investigation into the crime will be completed. Upon completing the investigation, the Chief of

Campus Safety and Security will consult with the President and/or their designee to determine if criminal charges will be pursued. If the President and/or their designee elect to pursue criminal charges, the case will be forwarded to the State's Attorney's Office for warrant review. Once the warrant has been signed by a judge, FAMU Police will execute an arrest.
(**Status – Complete; Risk Level – Low**)

Inspiring Excellence Through Education and Awareness

The Division of Audit plays a pivotal role in fostering a culture of transparency, accountability, and continuous improvement within our university community. By leading education and awareness efforts, the Division ensures that faculty, staff, and administrators are equipped with the knowledge and tools necessary to navigate complex challenges and drive meaningful change. These initiatives not only enhance our institution's operational effectiveness but also reinforce our commitment to excellence and ethical standards. The following summaries highlight recent presentations that underscore the Division's dedication to empowering our university community through insightful guidance and strategic initiatives.

On April 11, 2024, Deidre Melton, Associate Vice President of Audit and Chief Risk Officer co-presented a session titled "Dealing with Difficult and Confrontational Employees" at the President's Management Seminar. The presentation was conducted to address the critical issue of managing challenging behaviors in the workplace. The presentation emphasized the importance of creating a safe, respectful, and equitable work environment and outlined strategies for handling diverse employee behaviors to enhance productivity and workplace harmony. Key topics included recognizing the impact of difficult behaviors such as aggression and resistance to authority, understanding the legal implications of not addressing bullying and discrimination, and implementing effective management actions. The presentation featured real-life scenarios, such as managing employees resistant to feedback and change, and responding to allegations of favoritism, providing practical solutions like performance improvement plans, mentorship, professional development opportunities, and flexible work arrangements. This comprehensive approach aims to improve employee morale, productivity, and overall satisfaction, while mitigating legal risks and fostering a positive organizational culture.

On April 26, 2024, the "Assessment Day 2024: Unlocking the Power of Continuous Improvement" presentation was held to emphasize the importance of continuous improvement in the educational landscape. The session aimed to inspire faculty and staff to become agents of lasting transformation within their roles. Key objectives included exploring the principles of continuous improvement, understanding the importance of collaboration, and adopting practical strategies for engagement. The presentation highlighted the significance of continuous learning, data-driven decision-making, and process improvement, showcasing the impact of innovative practices like interdisciplinary research projects and technology integration teams. Attendees were encouraged to engage in open discussions and share ideas to foster a culture of excellence and adaptability at the university.

PROFESSIONAL DEVELOPMENT

The Division of Audit prioritizes professional development of our team in alignment with the Boldly Striking Strategic Priority 5.1. *Enhance a culture that intentionally fosters building and engaging a high performing workforce and fortifies FAMU's status as an employer of choice.* Continuous education is vital for our staff to maintain the highest standards of professional competence and ensure the integrity of our operations. By prioritizing their growth and development, we enable them to conduct high-quality investigations and uphold our commitment to excellence. In recognition of this, we are proud to announce that two of our staff members received the Certified Inspector General Investigator certification in March 2024. This achievement reflects our ongoing investment in their skills and expertise, which directly benefits our organization's effectiveness and reputation.

Trystal Wright
Lead Senior Auditor & Investigator

Rasheedat McKay
Auditor & Investigator

Employee of the Quarter

Vice President Maleszewski and Associate Vice President Melton were thrilled to nominate Trystal Wright for the Employee of the Quarter Award. Trystal has been a cornerstone of our team, exemplifying dedication, innovation, and leadership. As our liaison with external auditors, she has not only fostered robust partnerships but also ensured our processes meet the highest standards of accountability and transparency. In her role as Editor of "The Audit Report," she has significantly elevated the magazine's quality, making it a compelling showcase of our university stakeholders' efforts in advancing our mission and strategic priorities. Furthermore, her initiative to develop an award for auditees who diligently complete their corrective action plans has been a game-changer. This award not only recognizes the hard work of our colleagues in strengthening our internal control infrastructure but also encourages a culture of continuous improvement and excellence across the university. Trystal's contributions have been instrumental in enhancing our operations and reinforcing our commitment to integrity and excellence.

Leveraging the Brand

The Division of Audit staff actively participates in local, national, and international conferences for professional organizations, aligning with the university's strategic goal of Leveraging Brand Goal 3.2.2. This goal aims to showcase the capabilities of faculty, staff, students, and alumni to enhance their profile for external demand. The Division's commitment to showcasing our expertise at prominent conferences not only advances individual professional development but also significantly contributes to the university's strategic objectives. By positioning our staff as industry leaders, we attract high-caliber talent, foster innovative partnerships, and enhance our competitive edge in the higher education sector. Additionally, these presentations create opportunities for knowledge exchange and highlight the university's dedication to cutting-edge practices, further solidifying FAMU's reputation as a forward-thinking institution committed to excellence and continuous improvement.

Trystal Wright
Senior Auditor & Investigator

September 2024
Event: 2024 AuditCon
Organization: Association of College and University Auditors
Topic: Harnessing the Power of AI for Audit Planning & Testing

Nancy Shepherd
Lead Senior Auditor

September 2024
Event: 2024 AuditCon
Organization: Association of College and University Auditors
Topic: Fulfilling the Spirit and the Letter of 2024 Uniform Grant Guidance Updates

Deidre Melton
Associate Vice President of Audit/CRO

June 2024
Event: ISACA Virtual Summit 2024: Auditing in a Digital World
Organization: ISACA
Topic: Integrating AI Risk Control into Auditing Practices

Erica Thames
Senior Auditor & Lead Investigator

September 2024
Event: 2024 AuditCon
Organization: Association of College and University Auditors
Topic: Unveiling the Ethical Maze: Navigating Auditors Through Higher Education's Moral Quandaries

Service Excellence Initiative

The Service Excellence Initiative at FAMU is grounded in the philosophy of inspiring excellence through kindness and exceptional service. We adhere to four core standards: being courteous, collaborative, professional, and responsive. These standards guide our interactions and ensure a high-quality experience for all stakeholders.

William Thomson, Senior IT Auditor and Investigator, plays a vital role in this initiative by serving as a Service Excellence trainer. He is responsible for educating the campus community on our service excellence philosophy, standards, and tools. His training sessions are designed to equip staff with the skills and knowledge necessary to consistently deliver outstanding service. By sharing best practices and fostering a culture of continuous improvement, he helps enhance the overall service quality across the university.

Our service standards include being courteous, which means being respectful and considerate, exhibiting patience and kindness, and actively listening. Being collaborative involves working together to accomplish goals, cooperating to resolve problems, communicating within and outside the organization, and maintaining focus on strategic priorities. Professionalism is demonstrated by showing high-level knowledge of job and university operations, maintaining integrity and compliance with policies and procedures, pursuing continuous improvement opportunities, and managing resources efficiently and effectively. Responsiveness is characterized by promptly answering questions or requests, being helpful and friendly, and taking ownership, following up, and following through.

These comprehensive standards ensure that our service excellence philosophy is embodied in every interaction, reinforcing our commitment to exceptional service and continuous professional development.

ERM Activities

ERMAC Risk Managers Committee:

The Risk Managers Sub-Committee continues to advance our Enterprise Risk Management (ERM) efforts, focusing on enhancing campus safety and addressing critical risks. Key initiatives include upgrading the Blue Light System, improving siren capabilities, and enhancing the public announcement system. We've identified the need to transition to a wireless blue light system, ensure dispatcher readiness, and improve lighting around blue light locations. Efforts are also underway to make the siren system audible across the entire campus and integrate it with our mass notification system.

Significant progress has been made with the Everbridge System, including exploring underutilized features such as the SOS feature and desktop monitoring. We are also considering re-establishing the Safe Team (Student Escort Service) and addressing Clery Act compliance through updated maps and scheduled training. Additionally, preparations for an upcoming risk management audit are in full swing, with a focus on identifying insurance coverage gaps, centralizing vendor insurance requests, and establishing risk processes for event management.

To further enhance campus safety, we are reviewing new security measures implemented at Alabama A&M University, such as a K-9 unit, a new sub-station, and expanded surveillance. We are exploring grant opportunities for funding these enhancements. In student health services, we are addressing funding challenges, increasing demand for mental health services, and considering a reorganization to better support health, counseling, and recreation services. Additionally, we are working to meet safety standards for athletic training staff and medical oversight for band activities.

Annual Risk Assessment:

This year, we engaged deeply with our university community, utilizing surveys and interactive sessions to gather insights from faculty and staff. Additionally, we conducted a focused risk workshop with the senior leadership team to ensure alignment and address emerging challenges. From these robust engagements, we have successfully identified the top five risks specifically impacting our faculty and the top ten risks facing the university at large. These risks span various categories, reflecting both internal and external factors that could affect our operations and strategic objectives.

Faculty Top 5 Risks - Academic	
1	Workload and Burnout
2	Mental Health and Well-being
3	Research Funding and Grant Competition
4	Academic Freedom and Censorship
5	Job Security and Tenure Uncertainty

Top 10 University Risks - 2024			
1	Staff and Student Mental Health	6	Campus Safety and Security
2	Talent Management	7	Organizational Change Management
3	Culture of Accountability	8	Human Resources Operations
4	Financial Management	9	Financial Aid
5	IT/Cybersecurity	10	Political Impact and Legislation

Recognizing the importance of proactive risk management, our next steps will involve collaborating closely with management across departments to formulate and implement targeted action plans. These plans will aim to effectively mitigate the identified risks, enhance our resilience, and support our commitment to providing a safe and conducive environment for education and research.

Interns Graduate:

We are thrilled to share the accomplishments of our student interns who have made significant contributions to our risk management efforts. Dayton Harmon, Ahmaud Herman, and Jeremiah Fisher, who graduated with accounting degrees in May, have all secured prestigious summer internships with top accounting firms. Following their internships, they will enter master's programs in the fall, continuing their academic and professional journeys. Layla Fraiser, our fourth intern, is currently interning with a marketing firm and will return to FAMU as a junior this fall. Her experience this summer will undoubtedly enrich her studies and future contributions to our team.

Throughout their time with us, all four interns gained valuable insights into risk management and actively participated in various projects. Their work has been instrumental in advancing our risk identification and management initiatives, and we are confident that the knowledge and skills they have acquired will benefit them in their future endeavors. We look forward to Layla's return and continued collaboration in the fall, and we wish Dayton, Ahmaud, and Jeremiah great success in their upcoming academic and professional pursuits.

New Student Internship:

We are excited to announce that our Enterprise Risk Management (ERM) program has been awarded a grant from the Spencer Education Foundation to support a summer internship position. Following a competitive selection process, we have chosen Anthony Durden, a highly capable third-year accounting major, to join us starting May 22nd. Anthony will be immersed in various ERM initiatives, building on the excellent work of our previous interns. His internship represents a significant learning opportunity and adds valuable perspective to our team as we continue to enhance the university's risk management framework. We look forward to his contributions and the positive impact he will have on our ongoing initiatives.

2024 Risk Assessment:
Faculty & University Top Risks

Conducting thorough risk assessments is crucial for the proactive management of our university's operations and strategic initiatives. By identifying and understanding the key risks that impact our institution, we can implement measures to mitigate these risks, ensuring the continued success and stability of our university. This process not only helps in safeguarding our resources but also enhances our ability to achieve our academic and operational goals effectively.

To identify the top risks impacting our university, we conducted comprehensive surveys among faculty and staff, performed horizon scanning of risks within the higher education landscape, reviewed governance, and operational actions over the past year, and held a risk workshop with our Senior Leadership Team. This collaborative approach allowed us to gather valuable insights and perspectives, resulting in a well-rounded understanding of the most pressing risks. The risks were then ranked based on their potential impact, with the top ten risks identified as priorities for our institution. These include critical areas such as staff and student mental health, talent management, and IT/cybersecurity, among others.

Top 5 Faculty Risks	
1	Workload and Burnout
2	Mental Health and Well-being
3	Research Funding and Grant Competition
4	Academic Freedom and Censorship
5	Job Security and Tenure Uncertainty

Top 10 University Risks			
1	Staff and Student Mental Health	6	Campus Safety and Security
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4	Financial Management	9	Financial Aid
5	IT/Cybersecurity	10	Political Impact and Legislation

Moving forward, our next steps involve developing detailed action plans to address these top risks. Each risk will have a specific mitigation strategy, including assigned responsibilities and timelines for implementation. Additionally, we will establish a monitoring framework to regularly review and assess the effectiveness of these action plans. Continuous monitoring and periodic reassessments will ensure that we remain responsive to any changes in the risk landscape and are able to adapt our strategies accordingly.

Thank you to all management, faculty, and staff who dedicated their time and shared their insights through our comprehensive surveys. Your contributions have been invaluable in shaping our understanding of the risks we face. We also extend our deepest gratitude to the Senior Leadership Team for their strategic guidance and engagement during the risk workshop, which has been crucial in refining our risk assessment framework.

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Faculty members play a pivotal role in shaping the university's educational and research landscape. Their well-being and satisfaction directly impact their ability to deliver high-quality education and contribute to innovative research. The following assessment outlines the primary risks identified by faculty members, based on feedback from a comprehensive risk assessment survey in which all faculty were provided the opportunity to participate. With 71 responses, this survey has given us valuable insights into the key concerns and challenges faced by our faculty.

The feedback gathered through the survey reveals significant issues such as workload and burnout, mental health and well-being, research funding and grant competition, academic freedom and censorship, and job security and tenure uncertainty. Addressing these risks is crucial for maintaining a motivated, productive, and engaged faculty.

Top 5 Faculty Risks

1. Workload and Burnout (91%)

Description: Faculty members are experiencing high levels of workload, often juggling teaching, research, administrative responsibilities, and service commitments. This can lead to burnout, characterized by emotional exhaustion, depersonalization, and a sense of reduced personal accomplishment.

Impact: Burnout can significantly impact faculty performance and well-being, leading to decreased productivity, lower quality of teaching and research, and higher absenteeism and turnover rates. Addressing this issue is crucial to maintain a motivated and effective faculty body, which is essential for the institution's academic success and reputation.

2. Mental Health and Well-being (87%)

Description: Mental health and well-being encompass the psychological and emotional state of faculty members. Factors contributing to mental health issues include stress, anxiety, depression, and the challenges of balancing professional and personal life.

Impact: Poor mental health can result in reduced job satisfaction, impaired cognitive function, and lower overall productivity. It can also affect relationships with colleagues and students. Ensuring support systems and resources for mental health is vital for fostering a healthy, supportive academic environment.

3. Research Funding and Grant Competition (81%)

Description: Securing research funding is increasingly competitive, with limited grants available from government agencies, private foundations, and industry sponsors. Faculty members face significant pressure to obtain funding to support their research initiatives and career progression.

Impact: Difficulty in obtaining research funding can hinder the progress of innovative research projects, affect faculty morale, and limit opportunities for professional growth. It can also impact the university's research output and reputation. Strategies to support faculty in grant writing and identifying funding opportunities are essential.

4. Academic Freedom and Censorship (78%)

Description: Academic freedom refers to the liberty of faculty members to teach, conduct research, and publish without undue interference or restriction. Censorship and external pressures can threaten this freedom, impacting the ability to explore controversial or innovative ideas.

Impact: Restrictions on academic freedom can stifle creativity, limit the scope of research and inquiry, and lead to self-censorship among faculty. This can adversely affect the quality of education and research, as well as the university's reputation as a bastion of free thought and expression. Upholding academic freedom is crucial for fostering a vibrant intellectual community.

5. Job Security and Tenure Uncertainty (78%)

Description: Job security and tenure uncertainty refer to concerns about the stability and permanence of faculty positions. Changes in tenure policies, budget constraints, and shifting institutional priorities can create an environment of uncertainty for faculty members.

Impact: Uncertainty regarding job security and tenure can lead to anxiety, decreased morale, and reluctance to engage in long-term research projects or take on additional responsibilities. It can also affect the university's ability to attract and retain talented faculty members. Clear communication and transparent policies regarding tenure and job security are essential to mitigate these concerns.

By understanding and mitigating these risks, we can create a more resilient and supportive environment for our faculty. This will not only enhance their professional experience but also positively influence the broader university community, including students and staff. Our commitment to addressing these concerns demonstrates our dedication to fostering a thriving academic community that promotes well-being, academic excellence, and professional growth.

Effective risk management is essential for the sustained success and resilience of our university. Through a series of comprehensive surveys involving faculty and staff, as well as a dedicated risk workshop with our Senior Leadership Team, we have identified the top ten risks that pose significant challenges to our institution. These risks span various domains, including mental health, financial management, cybersecurity, and organizational change, each with the potential to affect our university's operations, reputation, and long-term goals. By understanding and addressing these risks, we can ensure a stable and supportive environment for our students, faculty, and staff, while continuing to advance our academic mission.

Top 10 University Risks

1. Staff and Student Mental Health

Description: The mental health of both staff and students is critical to the overall well-being and performance of the university community. This risk encompasses issues such as stress, anxiety, depression, and other mental health conditions that can affect individuals' ability to work, study, and engage effectively.

Impact: Poor mental health can lead to decreased productivity, higher absenteeism, and increased turnover among staff. For students, it can result in lower academic performance, higher dropout rates, and reduced engagement in campus life. Addressing this risk is vital to maintaining a healthy, productive, and supportive university environment.

2. Talent Management

Description: Talent management involves attracting, developing, retaining, and effectively utilizing staff members. This includes faculty and administrative personnel and is crucial for the institution's operational success. Additional focus on succession planning, professional development, and compensation were concerns raised by faculty and staff.

Impact: Ineffective talent management can lead to a shortage of skilled personnel, increased recruitment costs, and a potential decline in the quality of education and services offered. Ensuring a robust talent management strategy helps in maintaining a competitive edge and achieving institutional goals.

3. Culture of Accountability

Description: A culture of accountability refers to an environment where all members of the university community take responsibility for their actions and outcomes. This includes ethical behavior, compliance with policies, and commitment to the institution's values and goals.

Impact: A strong culture of accountability can enhance trust, improve performance, and reduce risks related to non-compliance and unethical behavior. Conversely, a lack of accountability can lead to misconduct, legal issues, and damage to the institution's reputation.

4. Financial Management

Description: Financial management involves the planning, organizing, directing, and controlling of financial activities such as procurement and utilization of funds. It ensures that the university's financial resources are used effectively and efficiently. The University has experienced significant staff turnover in the Controller's Office which have impacted financial operations, management continue to raise concerns related to the efficiency of procurement processes, donor management, and insufficient funding to meet strategic and business objectives.

Impact: Poor financial management can lead to budget deficits, inefficient use of resources, and financial instability. This can affect the university's ability to fund programs, maintain facilities, and support staff and students. Strong financial management practices are essential for sustainable growth and operational success.

5. IT/Cybersecurity

Description: IT/cybersecurity covers the protection of the university's information systems from cyber threats such as hacking, data breaches, and malware attacks. It also includes the management of IT infrastructure and services. The infusion of artificial intelligence into the university environment poses a variety of technical, ethical and operational risks.

Impact: Cybersecurity incidents can result in data loss, financial losses, and damage to the institution's reputation. They can also disrupt academic and administrative operations. Ensuring robust cybersecurity measures is critical to safeguarding sensitive information and maintaining trust.

6. Campus Safety and Security

Description: Campus safety and security involve measures to protect students, staff, and visitors from physical harm and to ensure a safe learning and working environment. This includes emergency preparedness, crime prevention, and response to incidents.

Impact: Safety and security issues can lead to physical injuries, psychological trauma, and a negative perception of the university. Effective safety and security measures help in creating a secure environment conducive to learning and personal growth.

7. Organizational Change Management

Description: Organizational change management refers to the processes and strategies used to manage changes within the university, such as restructuring, implementing new technologies, or changing policies. The University has made changes to structure and leadership, while initiating several major strategic initiatives that impact university operations.

Impact: Poorly managed changes can lead to resistance, confusion, and decreased morale among staff and students. Effective change management ensures smooth transitions, minimizes disruptions, and enhances the likelihood of successful implementation of new initiatives.

8. Human Resources Operations

Description: Human resources operations encompass the management of employee-related functions such as recruitment, training, payroll, and compliance with labor laws. University departments continue to struggle with recruiting qualified candidates, have frustrations with the hiring, onboarding, and offboarding processes, and are not fully aware of compliance requirements with new labor laws.

Impact: Inefficient HR operations can result in compliance issues, low employee satisfaction, and high turnover rates. Streamlining HR processes is vital for maintaining a motivated and productive workforce.

9. Financial Aid

Description: Financial aid includes the provision of scholarships, grants, loans, and work-study opportunities to support students' educational expenses. During the past year there have been concerns about the amount of financial available for students, timely processing of financial aid, customer service, and cross-functional collaboration for effective financial aid processes.

Impact: Insufficient financial aid can limit access to education for deserving students, affecting diversity and inclusivity. It can also lead to higher student debt levels and increased dropout rates. Effective financial aid programs are essential for attracting and retaining students from various backgrounds.

10. Political Impact and Legislation

Description: This risk involves the influence of political decisions and legislative changes on the university's operations and policies. This can include changes in funding, regulations, and educational mandates. Over the past few years, significant changes in local and federal law have impacted university operations and increased staff uncertainty around compliance.

Impact: Political and legislative changes can create uncertainty and require the university to adapt quickly to new requirements. This can impact funding, compliance, and strategic planning. Staying informed and proactive in response to political developments is crucial for maintaining stability and alignment with external mandates.

The risks identified are not only critical in their immediate implications but also in their broader impact on the university's ability to adapt and thrive in an evolving educational landscape. Staff and student mental health, for instance, directly influences productivity, academic performance, and overall campus morale. Similarly, challenges in talent management, financial management, and cybersecurity can disrupt our core functions and hinder our strategic initiatives. This report provides detailed descriptions and impact assessments for each of the top ten risks, serving as a foundation for developing targeted action plans and monitoring frameworks. Our proactive approach to risk management will enable us to mitigate potential threats and seize opportunities for improvement, ensuring the continued growth and excellence of our university.

The Office of Enterprise Risk Management (ERM) is committed to working closely with university management to develop comprehensive action plans for each identified risk. By leveraging the expertise and insights from various departments, we will create tailored strategies that address the unique challenges posed by these risks. This collaborative approach ensures that all relevant perspectives are considered, leading to more effective and sustainable solutions. Each action plan will outline specific mitigation measures, assign responsibilities, and establish clear timelines for implementation. Through ongoing dialogue and cooperation, the ERM office will support management in executing these plans and achieving our risk management objectives.

To maintain transparency and accountability, the ERM office will provide regular updates to the Senior Leadership Team on the progress of these action plans. These updates will include detailed reports on the status of each risk mitigation effort, highlighting any successes, challenges, and adjustments needed. By keeping the leadership informed, we can ensure that any emerging issues are promptly addressed and that the overall risk management process remains aligned with the university's strategic goals. Regular progress reviews will also facilitate continuous improvement, allowing us to refine our strategies based on feedback and new developments.

In our efforts to enhance the efficiency and effectiveness of the risk management process, we will implement the Workiva platform to automate risk collection and reporting. This advanced tool will enable real-time monitoring and analysis of risk data, providing management with up-to-date insights and facilitating more informed decision-making. Automation through Workiva will streamline data gathering, reduce manual efforts, and improve the accuracy and consistency of our reports. With this technology, we can quickly identify trends and potential issues, allowing for more proactive and responsive risk management.

Furthermore, the ERM office will continuously assess emerging and rising risks to determine any shifts in the top five faculty risks and the top ten university risks. By staying vigilant and adaptable, we can ensure that our risk management strategies remain relevant and effective in the face of changing circumstances. This ongoing assessment will involve regular environmental scans, stakeholder consultations, and data analysis to identify new threats and opportunities. Should there be any significant changes in the risk landscape, we will promptly update our risk priorities and action plans accordingly, ensuring that the university is well-prepared to navigate any challenges that may arise.

Mission Statement

To provide meaningful, actionable, and timely strategic and performance risk intelligence to our stakeholders to enhance decision making and resource alignment while appropriately balancing risk and opportunity.

Vision Statement

The FAMU ERM program strives to become a thought leader in enterprise risk management practices through development of innovative and cost-effective methodologies that integrates enterprise risk management practices into the culture and strategic decision-making processes of academic, student, and administrative functions within educational institutions.

Enterprise Risk Management Team

Deidre Melton

Associate Vice President for Audit and Chief Risk Officer

Email: deidre.melton@famu.edu

William Knight

Enterprise Risk Management Coordinator

Email: william.knight@famu.edu

Enterprise Risk Management Resources

ERM WEBSITE	RISK REPORTING HOTLINE	ERM SERVICE REQUEST

![FAMU Florida A&M University Division of Audit]

Division of Audit
FY 2024-2025
Work Plan

Report #23-24-002

May 16, 2024

EXECUTIVE SUMMARY

The Division of Audit (DoA) is committed to enhancing the University's capacity to achieve its strategic priorities and business objectives through risk-based audit and advisory services. This work plan outlines our focused efforts to provide comprehensive coverage of university operations, leveraging our resources in areas that most significantly impact the institution's success.

In the development of this year's work plan, we prioritized areas affected by recent statutory and regulatory changes, recognizing the substantial operational and financial implications for the university. Our approach is intricately aligned with the University's Strategic Plan, directly supporting its outlined priorities and goals, as well as aligning with the President's Goals.

Our activities over the coming year will be guided by this plan, which remains flexible to adapt to emerging priorities identified by management and the Board. This adaptive strategy ensures that our efforts are continuously aligned with the University's evolving needs, providing targeted, strategic support that promotes effectiveness and efficiency across university operations.

Through this work plan, the DoA will continue to deliver valuable insights and guidance, assisting university management in navigating the complexities of the higher education landscape, thus contributing to the institution's overarching mission and vision.

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BACKGROUND

Professional auditing standards[1] state that the chief audit executive (CAE) must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals. Additionally, the CAE must review and adjust the plan, as necessary, in response to changes in the organization's business, risks, operations, programs, systems, and controls. The CAE must then communicate the internal audit activity's plans and resource requirements, including significant interim changes, to senior management and the board for review and approval.

Every entity exists to realize value for its stakeholders. Value is created, preserved or eroded by management decisions in all aspects of an entity's activities, from strategy setting to daily operations. Entities failing to recognize the risks they face, from external or internal sources, and to manage them effectively, can destroy value. An effective starting point for understanding risk is to take a look at all aspects of an entity's activities.

The 2024-2025 Audit Work Plan, was developed based on information from a university-wide risk assessment that included risk surveys, workshops, and other channels of communication with leadership, faculty, staff, and students. The top ten risks for the university are identified in the chart below.

FAMU TOP 10 RISKS for FY 2024-2025			
1	Staff and Student Mental Health	**6**	Campus Safety and Security
2	Talent Management	**7**	Organizational Change Management
3	Culture of Accountability	**8**	Human Resources Operations
4	Financial Management	**9**	Financial Aid
5	IT/Cybersecurity	**10**	Political Impact and Legislation

The internal audit and enterprise risk management function work plans are designed to address high risk areas of the university and support the achievement of Boldly Striking, Florida A&M University's (FAMU) 2022-2027 Strategic Plan.

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[1] International Standards for the Professional Practice of Internal Auditing (Standards) – Performance Standards 2010 Planning

INTERNAL AUDIT RESOURCES

The Division of Audit has the following staff to support the internal audit function and work plan.

Joseph Maleszewski
VP for Audit/CAE
(1800 Hours)

Deidre Melton
AVP for Audit/CRO
(900 Hours)

Nancy Shepherd
Lead Sr. Auditor
(1800 Hours)

Trystal Wright
Sr. Auditor & Investigator
(1800 Hours)

William Thomson
Sr. IT Auditor & Investigator
(1800 Hours)

Erica Thames
Sr. Auditor & Investigator
(1800 Hours)

Crisencia Brown
Auditor & Investigator
(1800 Hours)

Rasheedat McKay
Auditor & Investigator
(1800 Hours)

INTERNAL AUDIT WORK PLAN

Board of Trustees (Mandatory)
- Athletics Financial Review - Fall 2024
- Athletics Financial Review - Spring 2024

Florida Board of Governors (Mandatory)
- Performance-based Funding Data Integrity Audit (Strategic Priority 4)
- Foreign Influence Audit (Strategic Priority 2)

Operational
- Controller's Office Control Self- Assessment (Strateic Priority 5)
- Campus Safety & Security (Strategic Priority 5)

Academic Affairs Advisory Services
- Colleges & Schools: Operations (Strategic Priority 5)

IT/Cybersecurity
- Cybersecurity Maturity Model Certification Level 1 Self- Assessment (Strategic Priority 2)
- IT Governance (Strategic Priority 5)

FAMU Committees
- Athletic Action Plan Implementation Team and Workgroup (Strategic Priority 5)
- Policy Advisory Commitee (Strategic Priorities 1 - 5)
- Civil Discourse Committee (Strategic Priority 1 - 2)

Training and Awareness
- Fraud Awareness Week (Strategic Priority 5)
- Internal Audit Awareness Month (Strategic Priority 5)
- FAMU Fundamentals (Strategic Priority 5)
- FAMU Management Seminar (Strategic Priority 5)

DoA Services
- External Audit Coordination
- Investigative Services
- Management Requests
- Audit, Advisory, & Investigative Follow-up

PROJECT TEAM

Engagement was conducted by

Deidre Melton, MBA, CFE, CIA, CISA, CISM, CDPSE, CRISC, CRMA
Associate Vice President for Audit and Chief Risk Officer

Engagement was supervised and approved, and distributed by:

Joseph K. Maleszewski, MBA, CIA, CGAP, CISA, CIG, CIGA, CIGI, CCEP, CCA, CFE
Vice President for Audit, Chief Audit Executive, and Inspector General

STATEMENT OF ACCORDANCE

The Division of Audit's mission is to enhance and protect the value of FAMU and its stakeholders by providing excellence in risk-based and objective assurance, advice, and insight through the promotion of accountability, integrity, and efficiency.

We developed the work plan in accordance with the International Standards for the Professional Practice of Internal Auditing. Those standards require we plan and conduct a risk assessment to use as a basis for the development of the audit work plan aligned with university goals. We believe the evidence obtained provides a reasonable basis for our risk assessment and conclusions based on our objectives.

Please address inquiries regarding this report to the Division of Audit at (850) 412-5479.
https://www.famu.edu/administration/audit/