



**Report No. 24-25-0004**  
**Assurance Services Report**  
**Athletics Financial Review Spring and Fall 2023**



**ACCOUNTABILITY • INTEGRITY • EFFICIENCY**

March 14, 2025











## EXECUTIVE SUMMARY

In accordance with Board of Trustees (BOT) Policy 2005-16, the Division of Audit (DoA) performed a review of purchases and receipt of goods by the Athletics Department during calendar year 2023. The purpose of this review was to evaluate whether the Athletics Department’s purchasing process is operating effectively, including whether centralized procedures have been established to ensure consistent practices across the Athletics Department.

As a best practice, departments should develop internal operating procedures (IOPs) to ensure adherence to University policies. The Athletics Department confirmed it does not currently have written IOPs to govern its purchasing function. Instead, it defers to the Office of Procurement Services Manual (Procurement Manual) for guidance.

The Athletics Department’s purchasing function was determined to not comply with key provisions of the Procurement Manual. As a result, the Athletics Department currently lacks centralized procedures to effectively support its purchasing and receipt of goods functions. Observations include:

	<b>Budgetary Misclassifications.</b> During the 2023 calendar year, the Athletics Department charged \$426K (12.53% of total spending) in purchase order payments for team-related expenses to the accounts of unrelated administrative activities, undermining the accuracy of budgetary reporting data. <sup>1</sup>	
	<b>Unauthorized Purchase Commitments.</b> The Athletics Department processed 267 out of 669 (39.9%) purchase orders after the date on the vendor’s invoice, indicating a high probability of routinely tolerating prior purchase commitments. <sup>2</sup>	
	<b>Timely Vendor Authorizations.</b> The Athletics Department generally conducted business with appropriately authorized vendors. Out of 130 vendors reviewed, only two (2) were added to the vendor table after the invoice date.	
	<b>Unverified Receipt of Goods.</b> During the audit period, the Accounting Coordinator relied on verbal or other informal approval (e.g., initials on the invoice) from requestors as evidence that goods were received, inspected, and approved in iRattler. <sup>3</sup> Requestors were not instructed to provide or preserve relevant documentation, such as packing slips. <sup>4</sup>	

<sup>1</sup> Section 4.3 of the Procurement Manual requires Athletics Department’s fiscal representative (Accounting Coordinator) to validate chartfields and available budget prior to submitting a purchase order for approval.

<sup>2</sup> Sections 6.11 and 7.1.4 of the Procurement Manual prohibit making purchase commitments without first obtaining an approved purchase order.

<sup>3</sup> Section 4.3 of the Procurement Manual requires the fiscal representative (Accounting Coordinator) to verify the receipt, inspection and approval of purchased goods in the iRattler system.

<sup>4</sup> Since the close of the audit period, the Athletics Department has hired staff, purchased an inventory system, and begun more formally tracking the receipt of uniforms and team equipment. Other types of purchases fall under pre-existing procedures.





**Untimely Payments.** For calendar year 2023, the Athletics Department paid over 35% of its invoices more than 40 days late, 18.5% of its invoices were paid between 41 -100 days late and 17% were paid more than 100 days late. See chart below for details:



Calendar Year 2023	% of Payments made 41-100 Days Late	% of Payments made 100+ Days Late
Spring (FY22-23)	19%	27%
Fall (FY23-24)	18%	7%
Average for the Calendar Year	18.5%	17%

**Overall Internal Controls.** The Athletics Department has not established adequate internal controls over the purchasing process in accordance with the University’s internal control framework.<sup>5</sup> Currently, the Athletics Department’s purchasing function lacks the following:



- Performance of a routine and documented risk assessment, including considerations of fraud and non-compliance with University policies;
- Definitions of roles, responsibilities, written guidance or expectations for staff, particularly in the receiving function;
- Allocation of adequate resources to the Business Office, in order to perform assigned responsibilities, in accordance with past corrective actions provided in response to Auditor General findings;<sup>6</sup> and
- Monitoring process to ensure quality control over data, including ensuring personal repayment of purchases lacking proper authorization.

Legend:



Controls are in place & operating effectively



Controls are in place but not operating effectively



Controls are not in place

<sup>5</sup> As set forth in BOT Policy [2019-01 Internal Controls and Enterprise Risk Management \(ERM\)](#).

<sup>6</sup> Per March 12, 2018, and February 27, 2020, letters from BOT Chair Lawson to the Joint Legislative Audit Committee (JLAC) regarding Auditor General Operational Audit Reports Nos. 2013-103, 2014-108, 2017-197 and 2019-063



## TABLE OF CONTENTS

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EXECUTIVE SUMMARY .....	2
BACKGROUND.....	5
University Purchasing Governance.....	5
Prior Audit Findings in the Athletics Department .....	6
PURCHASING PROCESS OUTCOMES .....	9
CONCLUSION ON EFFECTIVENESS .....	11
RECOMMENDATIONS AND CORRECTIVE ACTION PLANS .....	12
APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY .....	12
APPENDIX B: HUMAN RESOURCE TREND DATA .....	17
APPENDIX C: PROMPT PAYMENT DATA .....	18
DISTRIBUTION.....	19
PROJECT TEAM.....	20
STATEMENT OF ACCORDANCE .....	20



## BACKGROUND

### University Purchasing Governance

**BOT Regulation 6.001 Purchasing Program**, establishes “effective management oversight of the University’s procurement process in order reduces the appearance and opportunity for favoritism, to ensure that contracts are awarded equitably and economically and to preserve the integrity of University purchasing and contracting.”

**BOT Policy 2006-03 Guiding Principles for Fiscal Affairs** provides the foundation on which all of the University’s fiscal activities are built and governed. Furthermore, all University employees are expected to uphold and exemplify these guiding principles, including the following:

- Maintaining and internal control environment that enhances sound business practices and clearly defines roles, responsibilities and accountability.
- Ensuring that business and financial activities of the University are conducted in accordance with applicable laws, University regulations and policies.
- Promoting strategic and tactical planning to enhance the efficient and effective use of resources and improve the quality of decision-making.

**BOT Policy 2019-01 Internal Controls and Enterprise Risk Management (ERM)** establishes the University’s adoption of the Committee of Sponsoring Organizations (COSO) internal control framework.<sup>7</sup> The purpose of the COSO Internal Control Framework is to help organizations design, implement, and assess internal controls to achieve their objectives. The framework provides a roadmap for organizations to ensure they have the right safeguards in place. The COSO framework consists of the following 5 primary components, which are supported by 19 principles<sup>8</sup>:

1. Control Environment – Encompasses principles of ethics and integrity, as well as assigning roles and responsibilities, hiring and training staff, and provide timely performance feedback. Ensures that business processes are based on industry standards and that management has put in place policies and procedures to guide the organization.
2. Risk Assessment – Addresses identifying, analyzing and responding to potential risks to objectives.
3. Control Activities – Ensures processes are designed and implemented to meet business objectives, includes developing policies, procedures and information systems.
4. Information and Communication – Ensures that communications adhere to legal requirements, ethical values, and standard industry practices. Requires the use of quality information to communicate to internal and external stakeholders.

<sup>7</sup> The COSO framework is the most widely recognized framework in the United States. It instructs management to look beyond specific policies and procedures to overarching considerations such as defining goals, planning, staffing, assessing risks to desired outcomes, communicating, and monitoring the implementation and effectiveness policies and procedures. The Executive Summary can be downloaded at [Executive Summary \(coso.org\)](https://www.coso.org/Executive-Summary). More detail can be found in the free public guide, tailored to the public sector, published by the U.S. General Accountability Office at [Standards for Internal Control in the Federal Government | U.S. GAO.](https://www.gao.gov/standards-for-internal-control-in-the-federal-government)

<sup>8</sup> This summary based on BOT 2019-01 and the [Standards for Internal Control in the Federal Government](https://www.gao.gov/standards-for-internal-control-in-the-federal-government).



5. Monitoring Activities – Ensure ongoing and/or separate evaluations are conducted to assess the quality of the control system's performance over time. Discusses the need to monitor results and take corrective actions if necessary.

**BOT Policy 2005-16, Section 2** requires periodic internal audits of the Athletics Department’s purchases and receipt of goods “to ensure centralization of procedures.” For purposes of this audit, the phrase “centralization of procedures” is defined as oversight and coordination of procedures throughout the various departments (e.g., teams) operating under the umbrella of the Athletics Department, to ensure overall compliance with laws, rules, regulations and University policy and procedures.

**The Office of Procurement Services Manual** establishes uniform procedures relating to the purchase of commodities, contractual services and construction needed in the operations of the University:

- Section 4.2 (Office of Procurement Services Responsibilities) reserves to the Procurement Department the authority to maintain the University’s list of competitive vendors in good standing, review the permissibility of purchase requisitions submitted by outlying departments, and issue purchase orders.
- Section 4.3 (Fiscal Representatives) authorizes the trained and credentialed<sup>9</sup> Fiscal Representatives, also known as Departmental Representatives, employed by other departments to initiate purchase requisitions in iRattler by validating chartfields, checking available budget and confirming the allowability of the purchase. Once a corresponding purchase order has been created and approved by the Office of Procurement Services, it is also the Fiscal Representative’s duty to verify the receipt, inspection and approval of purchased goods and/or services into the iRattler application.
- Section 5.1 (General Procedures – Departmental Fiscal Representatives). An acknowledgment of received goods and services must be input into the iRattler application within five (5) days of actual receipt, to ensure timely payment by the Office of Comptroller.
- Section 7.1.4 (Confirming Purchase Orders) prohibits departments from undermining the sole authority of the Office of Procurement Services to authorize purchases by making unofficial purchasing commitments and requesting an official purchase order afterwards.

**Prior Audit Findings in the Athletics Department**

From 2008 to 2019, the Athletics Department struggled with deficits. As disclosed in multiple audit reports issued by the Auditor General<sup>10</sup>, an outside accounting firm (retained by the DoA to perform a forensic review<sup>11</sup>), and the DoA,<sup>12</sup> the Athletics Department resorted to unallowable practices to subsidize its spending, including:

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<sup>9</sup> Per Section 5.0, Fiscal Representatives must “[a]ttend required iRattler Credentialing as scheduled. Failure to attend can remove credentials and password for iRattler.

<sup>10</sup> Auditor General Operational Audit Reports Nos. 2013-103, 2014-108, 2017-197 and 2019-063.

<sup>11</sup> Carr, Riggs, & Ingram Forensic Report and Supplementary Information dated August 5, 2019, presented to BOT on August 16, 2019 and BOG on August 28, 2019.

<sup>12</sup> Report No. 18-19-002 FY 2017-208 Athletics Expense Review.





- Transfers from a prohibited funding source<sup>13</sup> (Other Auxiliary Funds),
- Purchase commitments made outside University processes (i.e., without authorization or prior encumbrance of budgeted funds),<sup>14</sup> and
- Late payment of invoices (the equivalent of using vendors without permission as a line of credit to help manage cash flow).

As reported to the BOT, the Board of Governors (BOG), and the Joint Legislative Audit Committee (JLAC)<sup>15</sup>, the University took extensive corrective actions, including cost-cutting measures. The Athletics Department also hired a Budget Director and Senior Accountant to supplement staffing of the Business Office (previously limited to the Accounting Coordinator).

Subsequently, the Athletics Department entered a 5-year period of balancing its budget. However, during fiscal year 2023-2024 it began struggling with projected shortfalls, which became the topic of multiple BOT discussions.

**Athletics Purchasing Process Overview**

The Athletics Department has no internal written procedures governing how it carries out its purchasing functions. Process walk-throughs had to be performed to develop an understanding of the Athletics Department’s operations related to purchases and receipt of goods.

In the Athletics Department, purchases begin when someone fills out a Purchase Order Requisition form. The requisition form contains spaces to input the following information:

- Activity type: Sport or Non-Sport
- Department number, referring to internal cost center (e.g., Football vs. Business Office)
- Vendor ID, name, and address
- Fund, Program, Project, and Category
- Itemized list of goods and services requested and corresponding prices
- Signature and date lines for:
  - Requestor
  - Supervisor
  - Budget Manager
  - Director

The Accounting Coordinator, who serves as the Athletics Department’s Fiscal Representative to the Office of Procurement, enters information from the requisition form into iRattler and routes it to senior management for final approval. The Office of Procurement Services then reviews the electronic requisition and creates an authorized Purchase Order for the vendor.

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<sup>13</sup> Board of Governors (BOG) Regulation 9.013, Auxiliary Regulations, states: “Each institution may determine whether its auxiliary services will be self-supporting on an individual or collective basis, except for athletics, which shall be a self-supporting entity.” This does not preclude other sources of support for the Athletics Department.

<sup>14</sup> See, for example, “*FAMU trustees face BOG after \$1 million in ‘unbudgeted’ athletics expenses*,” Byron Dobson, March 29, 2018, Tallahassee Democrat for discussion of undisclosed expenses that emerged after departure of former Athletics Director Overton. These were ultimately covered by one-time contributions from the President’s Fund.

<sup>15</sup> March 12, 2018, and February 27, 2020, letters from BOT Chair Lawson to the JLAC.



The Office of Procurement Services will not process payment for an invoice until the Accounting Coordinator validates goods or services in iRattler as received, inspected and approved. As stated in Section 4.3 of the Procurement Manual, the Fiscal Representative is responsible for promptly entering verification of the receipt, inspection and approval of purchased goods and/or services into the iRattler application, in accordance with Prompt Payment requirements. During the audit period, the Accounting Coordinator relied on the requestor's verbal or other informal approval (e.g., initials on the invoice) to enter this information into iRattler.





## PURCHASING PROCESS OUTCOMES

### **Inconsistent Use of Requisition Forms**

The Purchase Order Request Form is not used consistently in practice. We conducted a pilot test of 18 purchase order requisitions (out of 669) and determined further testing was not needed to establish this fact:

- The Athletics Department no longer has a Budget Director. On 10 out of 18 forms, the Accounting Coordinator signed in this spot.
- Five (5) out of 18 forms did not indicate which internal department should be charged.
- Director signature line left blank on five (5) out of 18 of the forms.
- No signature dates on nine (9) of 18 forms reviewed; missing signature dates on four (4) other forms.

Staffing data from 2019 to the present was obtained for the Administration and Business Office departments within Athletics to determine when the position of Budget Director was discontinued. The data demonstrated that staffing for the Business Office declined to a single employee (Accounting Coordinator) as of Fall 2022, despite commitments to increase staffing in prior corrective action plans. See Appendix B.

### **Budgetary Misclassifications**

Budgetary information entered into the electronic version of the requisition form in iRattler did not always match the underlying business purpose of the request. Out of \$3.4M in purchase order payments made in calendar year 2023, \$426K in team-related expenses (e.g., game day personnel, uniforms, team-related travel) were charged to the Athletic Administration or Business Office departments. Misclassification of budgeted amounts undermines the ability of the Athletics Department to report accurate information to its stakeholders (e.g., profit and loss by team), as well as the ability to prepare accurate budgets based on historical information from year to year.

### **Unauthorized Purchase Commitments**

Purchase orders were not always obtained prior to purchase commitments to vendors.

- During calendar year 2023, out of 669 purchase orders worth \$3.4M, the Athletics Department issued 267 purchase orders worth \$595,101.56 after the invoice dates.
- We compared dates vendors were added to the University's authorized vendor list. Out of 130 vendors reviewed, there were 2 instances of the vendors being added after the invoice date (one instance was for a purchase valuing \$707.19 paid to an athletic equipment vendor and the other was \$540 paid to a graphic designer). The error rate appears to be minimal and does not indicate negligence or abuse of the vendor authorization process. Nevertheless, care must be taken to allow enough lead time for new vendors to be vetted properly by the Office of Procurement Services prior to issuing a purchase order.
- We identified \$60,200 in championship rings purchased outside the normal process related to the 2021 Golf Championship. The original invoice was dated June 16, 2022. Based on an After-



the-Fact Justification submitted to the Office of Procurement Services, a purchase order was approved and paid in April 2023.

### **Unverified Receipt of Goods**

When documentation of receipt (e.g., packing slips) for a pilot sample of purchase orders was requested from the Accounting Coordinator, we were referred to the Sports Administrators. When we contacted Sports Administrators to request copies of packing slips, we were informed they had not been assigned responsibility to document purchases.<sup>16</sup>

### **Untimely Payments**

The Athletics Department often pays invoices late, in violation of the University’s Prompt Payment Policy. See Appendix C for data illustrating the frequency and impact of this issue.

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<sup>16</sup> Per March 7, 2024 e-mail from former Athletics Director Tiffani Dawn-Sykes “I have not indicated that as part of their role in their job description.”



## CONCLUSION ON EFFECTIVENESS

The Institute of Internal Auditor’s Global Standard 15.1 requires the Division of Audit to communicate “a conclusion regarding the effectiveness of the governance, risk management, and control processes of the activity reviewed.” Rating the levels of effectiveness of an operational process can be based on a combination of objective metrics and subjective assessments. For purposes of this audit, the following terms are used to describe each level, from least effective to most effective:

1. **Ineffective:** The process fails to meet the required objectives. There are significant issues that need immediate attention.
2. **Needs Improvement:** The process meets some objectives but has several areas that require improvement to be fully effective.
3. **Effective:** The process meets the required objectives. It operates efficiently but may have minor areas for improvement.
4. **Highly Effective:** The process exceeds the required objectives. It operates very efficiently and is considered a best practice.
5. **Outstanding:** The process is exemplary and sets a benchmark for others. It consistently delivers exceptional results and is highly efficient.

Governance, Risk Management and Internal Control over the Athletics Purchasing Process		
Processes	Level of Effectiveness	Supporting Details
<b>Governance</b>	Needs Improvement	<ul style="list-style-type: none"> <li>• There should be clearly defined roles and responsibilities, particularly for the receiving function; and</li> <li>• Management should ensure proper allocation of adequate resources to perform assigned responsibilities in accordance with past corrective actions provided to the Auditor General.</li> </ul>
<b>Risk Management</b>	Needs Improvement	Fraud risks are not being considered and addressed in a documented risk assessment. For example, during this assessment the Athletics Department admitted to relying on an honor system for verifying the receipt of goods.
<b>Internal Controls</b>	Ineffective	<p>The Athletics Department needs to reconsider its implementation of the University’s internal control framework in the following areas:</p> <ul style="list-style-type: none"> <li>• Development of written guidance and expectations for employees;</li> <li>• Monitoring results, including quality control over data; and</li> <li>• Enforcement of penalties, including personal repayment of purchases lacking prior authorization.</li> </ul>





## RECOMMENDATIONS AND CORRECTIVE ACTION PLANS

**To:** Angela Suggs, Vice President and Athletics Director  
**From:** Joseph Maleszewski, Vice President for Audit and Chief Audit Executive  
**CC:** Trystal Wright, Audit Director  
Nancy Shepherd, Lead Senior Auditor  
**Date:** February 24, 2024  
**Re:** Request for Corrective Action Plan: Athletics Financial Review Spring and Fall 2023

We appreciate the cooperation of you and your team during the recent Athletics Financial Review Spring and Fall 2023. The audit report you received includes observations and recommendations aimed at enhancing the operations, internal controls, and compliance within your department.

The Division of Audit is requesting that you provide an official corrective action plan to address the observations identified by **Monday, March 3<sup>rd</sup>**. The corrective action plan should include at a minimum the following items:

- Management’s planned action to develop, or improve, controls related to the observations;
- Responsible party for each planned management action; and
- Expected completion date for each planned management action.

In accordance with Division of Audit’s charter, we will be performing quarterly follow-up reviews of the corrective actions on or immediately after the target completion dates you provide in the Corrective Action Plan below. Our follow-up reviews are to determine the status and the effectiveness of the implementation of the corrective actions.

Please ensure that the process owner, manager responsible for implementing the corrective action, and the Executive Owner have signed the corrective action plan before submitting the official response to our office.

Please let us know if you have any questions or concerns. Thanks.



**Corrective Action Plan Form**  
**24-25-0002 - Athletics Financial Review Spring and Fall 2023**

Issue	DoA Recommendations	Corrective Action Plan	Responsible Party & Implementation Date	Resources Required for Implementation
<p><b>Budgetary Misclassifications.</b> Section 4.3 of the Procurement Manual requires Athletics Department's Fiscal Representative to validate chartfields and available budget prior to submitting purchase orders for approval. During the 2023 calendar year, the Athletics Department charged \$426K (12.53% of total spending) in purchase order payments for team-related expenses to the accounts of unrelated administrative activities, undermining the accuracy of budgetary reporting data.</p>	<p>The Athletics Director should implement a process that requires periodic quality assurance checks of the data entry function, so that timely corrections can be made to any inaccurate budgetary data.</p>	<p>The Athletics Director will develop and implement a process that requires periodic quality assurance checks of the data entry function, so that timely corrections can be made to any inaccurate budgetary data. The Athletics Department is currently assessing its abilities to restore staffing levels to aid with this implementation.</p>	<p>Responsible Party: AD Suggs</p> <p>Implementation Date:  <ul style="list-style-type: none"> <li>Develop implementation plan by June 30, 2025</li> <li>Full implementation by September 30, 2025.</li> </ul> </p>	<p>The Athletics Department needs to restore its staffing levels, including:</p> <ul style="list-style-type: none"> <li>Two (2) senior administrators, and</li> <li>Up to three (3) business office personnel.</li> </ul> <p>The Department is also working with Finance &amp; Administration to clarify roles and streamline processes.</p>
<p><b>Unauthorized Purchase Commitments.</b> Sections 6.11 and 7.1.4 of the Procurement Manual prohibit making purchase commitments without first obtaining an approved purchase order. The Athletics Department processed 267 purchase orders (out of a total of 669) after the date on the vendor's invoice, indicating a high probability of routinely tolerating prior purchase commitments.</p>	<p>The Athletics Director should establish a "zero tolerance" policy for purchase commitments made prior to authorization, except in the case of a legitimate emergency, and communicate that policy to all Department of Athletics staff.</p> <p>The Athletics Director should ensure enforcement of penalties as called for in Section 7.1.4 of the Procurement Manual (personal repayment of unauthorized purchases) to deter future occurrences.</p>	<p>The Athletics Department will develop and implement a process to ensure no purchase commitments are made prior to authorization except in the case of a legitimate emergency, or penalties will be imposed per Section 7.1.4 of the Procurement Manual.</p> <p>The Athletics Department is currently evaluating assignment of roles, and adequacy of current staffing levels, to ensure enforcement.</p>	<p>Responsible Party: AD Suggs</p> <p>Implementation Date:  <ul style="list-style-type: none"> <li>Develop implementation plan by June 30, 2025</li> <li>Full implementation by September 30, 2025.</li> </ul> </p>	
<p><b>Timely Vendor Authorizations.</b> The Office of the Controller will only approve purchase orders to vendors it has approved to do business with the University. Sufficient lead time must be allowed to approve new vendors if purchase orders are to be issued before purchase commitments are made. Out of 130 vendors reviewed (including long-time vendors), two (2) were added to the authorized vendor table after the invoice date.</p>	<p>The Athletics Director should communicate to all Athletics Department staff the expectation to notify the Accounting Coordinator as soon as possible when contemplating doing business with a new vendor.</p> <p>Once notified, the Accounting Coordinator should submit vendor authorization forms for potential new vendors to the Office of the Controller for approval.</p>	<p>The Athletics Department is undertaking a comprehensive overhaul of its policies and procedures. The requirement to notify the Accounting Coordinator timely before doing business with a new vendor will be incorporated into these policies and procedures as well as subsequent training provided to staff.</p>	<p>Responsible Party: AD Suggs</p> <p>Implementation Date: December 31, 2025</p>	



Issue	DoA Recommendations	Corrective Action Plan	Responsible Party & Implementation Date	Resources Required for Implementation
<p><b>Unverified Receipt of Goods.</b> Section 4.3 of the Procurement Manual requires the Fiscal Representative (Accounting Coordinator) to verify the receipt, inspection and approval of purchased goods in the iRattler system. During the audit period, the Accounting Coordinator relied on verbal or other informal approval (e.g., initials on the invoice) from requestors as evidence that goods were received, inspected, and approved in iRattler.<sup>1</sup> Requestors were not instructed to provide or preserve relevant documentation, such as packing slips.</p>	<p>The Athletics Director should implement processes that require fiscal representatives in the Athletics Department to provide signed and dated packing slips (or equivalent documentation) to the Accounting Coordinator at the time of inspection.</p> <p>The Athletics Director should also implement processes that require the Accounting Coordinator to refuse to process invoice payments until appropriate documentation (e.g., signed and dated attestation from the requestor approved by the Athletics Director), has been received.</p>	<p>The Athletics Department is undertaking a comprehensive overhaul of its policies and procedures. As part of this initiative, requestors will be required, upon delivery and inspection of goods, to provide signed and dated evidence of receipt (e.g., packing slips) to the Accounting Coordinator within a defined time frame. Training will be provided to staff.</p> <p>The new procedures will also require the Accounting Coordinator to refuse to process any payment for goods until this evidence has been provided by the requestor.</p>	<p>Responsible Party: AD Suggs</p> <p>Implementation Date: September 30, 2025</p>	
<p><b>Untimely Payments.</b> Per Section 2.0 Definitions of the Procurement Manual, Prompt Payment Requirements mandate invoices to be paid within 40 days after the receipt of an invoice and receipt, inspection and approval of goods. At least 23 of these days are reserved for the Accounts Payable and Warrant Distribution sections of the Office of Controller. For calendar year 2023, the Athletics Department paid 18.5% of its invoices more than 40 days late and 17% of its invoices more than 100 days late.</p>	<p>The Athletics Director should work with Athletics management to evaluate the budget, personnel, training, and skillsets necessary to support the timely payment of invoices. The Athletics Director should allocate the identified resources in accordance with the results of the evaluation.</p>	<p>The Athletics Department will evaluate the volume of transactions being processed by the business office and necessary staffing levels to support the workload. The Department is also working with Finance &amp; Administration to clarify roles and streamline processes.</p> <p>Based on its evaluation of expected workloads under its updated procedures, the Athletics Department will allocate additional resources to the business office function, pending approval of budget.</p>	<p>Responsible Party: AD Suggs</p> <p>Implementation Date:  <ul style="list-style-type: none"> <li>Develop implementation plan by June 30, 2025</li> <li>Full implementation by September 30, 2025.</li> </ul> </p>	<p>The Athletics Department may need to restore staffing levels for its business office to previous levels (up to three (3) additional personnel).</p>

<sup>1</sup> Section 4.3 of the Procurement Manual requires the fiscal representative (Accounting Coordinator) to verify the receipt, inspection and approval of purchased goods in the iRattler system.





Issue	DoA Recommendations	Corrective Action Plan	Responsible Party & Implementation Date	Resources Required for Implementation
<p><b>Internal Controls.</b> BOT Policy 2019-01 requires implementation of the COSO framework of internal control by the University. The Athletics Department has not established adequate internal controls over its purchasing processes in accordance with this framework. Currently, the Athletics Department's purchasing function lacks the following:</p> <ul style="list-style-type: none"> <li>• Performance of a routine and documented risk assessment, including considerations of fraud and non-compliance with University policies;</li> <li>• Definitions of roles, responsibilities, written guidance or expectations for staff, particularly in the receiving function;</li> <li>• Allocation of adequate resources to the Business Office, in order to perform assigned responsibilities, in accordance with past recommendations provided to the Auditor General; and</li> <li>• Monitoring process to ensure quality control over data, including ensuring personal repayment of purchases lacking proper authorization.</li> </ul>	<p>The Athletics Director should perform the following actions to ensure proper internal controls are in place to reduce risks to the Department:</p> <ul style="list-style-type: none"> <li>• Routine and documented risk assessments that consider opportunities for fraud and non-compliance;</li> <li>• Creation of IOPs that include clearly defined roles and responsibilities, and guidelines for 3-way matching of purchase orders to invoices to bills of lading/packing slips);</li> <li>• Ensure the Business Office has adequate resources to perform duties, as recommended in prior audit reports; and</li> <li>• Implement a monitoring process to administer accountability for unauthorized purchases and actively monitor personal repayment.</li> </ul>	<p>The Athletics Department is undertaking a comprehensive overhaul of its policies and procedures. As part of this undertaking, the Athletics Department will implement:</p> <ul style="list-style-type: none"> <li>• Periodic assessments for the risk of fraud and non-compliance;</li> <li>• IOPs to define roles and responsibilities, including matching of purchase orders to invoices to bills of lading/packing slips);</li> <li>• Monitoring process to administer accountability for unauthorized purchases and repayment of penalties assessed.</li> </ul> <p>The Athletics Department is currently assessing its abilities to restore staffing to aid with this implementation.</p>	<p>Responsible Party: AD Suggs</p> <p>Implementation Date: December 31, 2025</p>	<p>The Athletics Department needs to restore its staffing levels, including:</p> <ul style="list-style-type: none"> <li>• Two (2) senior administrators, and</li> <li>• Up to three (3) business office personnel.</li> </ul>

The above plan was approved by:

*Angela Suggs*

**Executive Owner Signature:**

Angela Suggs, Vice President and Director of Athletics

*Donald Palm*

**Chief Operating Officer Signature:**

Dr. Donald Palm, Chief Operating Officer and Executive Vice President

*3/5/25*

**Date**

3/10/2025

**Date**



## APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY

### Purpose and Scope

The purpose of this engagement was to review purchases and receipt of goods by the Athletics Department from January 1 – June 30, 2023 to ensure centralization of procedures, in accordance with BOT Policy 2005-16. The review was later expanded to include July 1 - December 31, 2023.

### Methodology

The procedures and controls applied by management in the Athletics Department's purchasing process to achieve the compliance and effectiveness were subject to the following audit procedures:

- **Reviewed Applicable Criteria:** A thorough review of all relevant criteria, including university policies, state and federal regulations, and industry best practices, to establish the standards for compliance and operational efficiency within the Athletics Department's purchasing process.
- **Preliminary Interviews and Analysis:** Initial interviews were conducted with key stakeholders, including Athletics Department staff and procurement personnel, to gain an understanding of the purchasing process and internal controls. Additionally, we performed an analysis of purchase order activity to assess transaction volumes, identify purchasing patterns, and evaluate vendor usage and purchase descriptions across different categories.
- **Process Walk-Through:** A comprehensive walk-through of the purchasing process was performed to map the workflow, from requisition and approval through to order placement, receipt of goods or services, and payment. This included an evaluation of the roles and responsibilities of personnel involved in each stage, as well as an assessment of the systems used to support the process.
- **Examination of Processes and Documentation:** We examined relevant documents and records, such as purchase orders, contracts, invoices, and approval documentation, to evaluate the completeness, accuracy, and timeliness of transactions. The audit also assessed the adequacy of controls in place to prevent unauthorized purchases, ensure budget compliance, and manage vendor relationships effectively.



## APPENDIX B: HUMAN RESOURCE TREND DATA

Data was obtained from the Office of Information Technology (OIT) regarding filled positions in the Athletics Department from Fall 2019 to Spring 2024. This data displayed the decline in the number of employees for the Business Office from four as of Fall 2019 to a single employee (the Accounting Coordinator) in Fall 2022, nullifying key aspects of the corrective actions reported to JLAC in 2020 in response to four years' worth of Auditor General findings. The subsequent creation of new Athletic Administration positions suggests, not that resources were unavailable to staff the Business Office, but that they were shifted to other priorities. See images below for details:

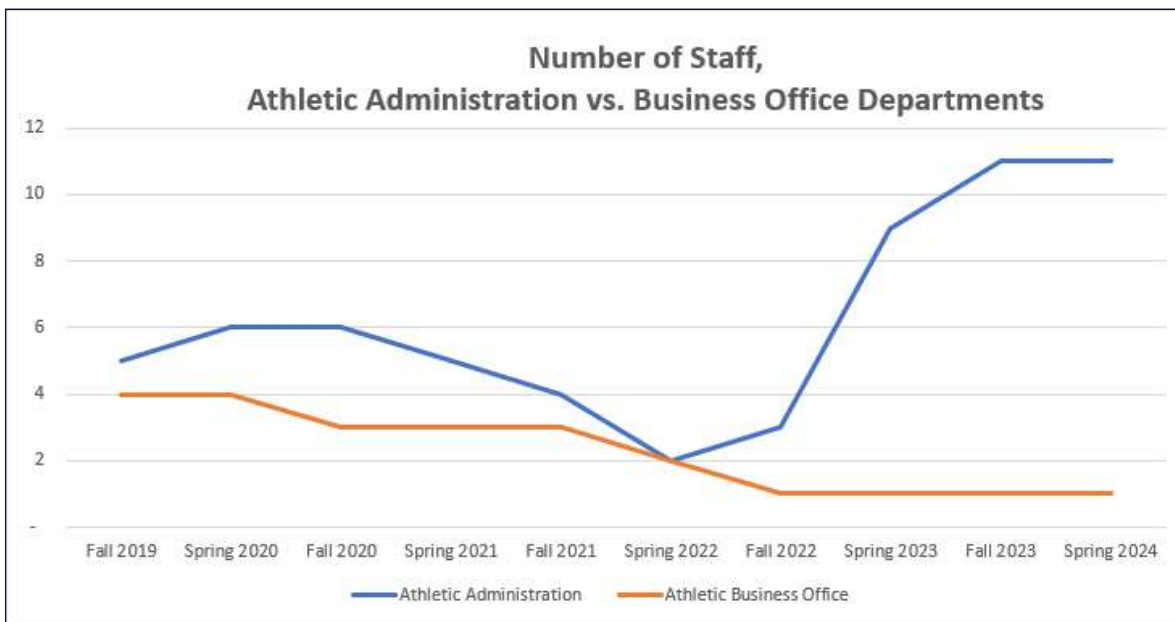


TABLE 1: STAFFING TRENDS FOR ADMINISTRATIVE DEPARTMENTS

Position No.	Most Recent Position Title	SEMESTER											
		2019 FALL	2020 SPRING	2020 FALL	2021 SPRING	2021 FALL	2022 SPRING	2022 FALL	2023 SPRING	2023 FALL	2024 SPRING		
20857000	VP, ATHLETICS	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	215,000.00	215,000.00	215,000.00		
23402000	ASST. VP, ATHLETICS								140,000.00	140,000.00	140,000.00		
23335000	DEP DIRECTOR, INTERCOLL ATH		69,000.00	69,000.00	69,000.00	90,000.00			97,000.00	97,000.00	97,000.00		
23334000	ASSOC DIR INTERCOLL ATHLETICS		100,000.00	100,000.00	100,000.00	100,000.00	100,000.00		95,000.00	95,000.00	95,000.00		
19389000	ASSOC DIR INTERCOLL ATHLETICS	45,500.00	55,000.00	70,000.00									
20821000	EXECUTIVE ASSISTANT	45,000.00	45,000.00	45,000.00	41,850.00	45,000.00				65,000.00	65,000.00	65,000.00	
23198000	DIR ADVANCEMENT/ALUMNI AFFAIRS	50,000.00											
40033091	TECHNICAL AND PARAPROFESSIONAL									20,880.00			
40035262	TECHNICAL AND PARAPROFESSIONAL										40,455.00	40,455.00	
40033593	TECHNICAL AND PARAPROFESSIONAL									15,660.00	15,660.00	15,660.00	
40035329	TECHNICAL AND PARAPROFESSIONAL										5,872.50	5,872.50	
40031763	OTHER PROFESSIONALS								32,625.00	39,150.00	40,716.00	39,150.00	
40032013	OTHER PROFESSIONALS								15,660.00		15,660.00	15,660.00	
40032729	OTHER PROFESSIONALS									15,660.00	15,660.00	15,660.00	
40023930	OTHER PROFESSIONALS	3,425.63	3,425.63	3,425.63	3,425.63								
		<b>343,925.63</b>	<b>472,425.63</b>	<b>487,425.63</b>	<b>414,275.63</b>	<b>435,000.00</b>	<b>300,000.00</b>	<b>248,285.00</b>	<b>703,350.00</b>	<b>746,023.50</b>	<b>744,457.50</b>		
20268000	ASSOC DIR INTERCOLL ATHLETICS	90,000.00	90,000.00	90,000.00	90,000.00	100,000.00	100,000.00						
20268001	DEP DIRECTOR, INTERCOLL ATH	87,908.48	87,908.48										
20258000	COORDINATOR, INTERCOLL ATHL	48,884.00	48,884.00	48,884.00	45,462.12	48,884.00	48,884.00	58,884.00	60,650.52	60,650.52	60,650.52		
20831000	SENIOR ACCOUNTANT	40,000.00	40,000.00	40,000.00	37,200.00	40,000.00							
		<b>266,792.48</b>	<b>266,792.48</b>	<b>178,884.00</b>	<b>172,662.12</b>	<b>188,884.00</b>	<b>148,884.00</b>	<b>58,884.00</b>	<b>60,650.52</b>	<b>60,650.52</b>	<b>60,650.52</b>		
		<b>610,718.11</b>	<b>739,218.11</b>	<b>666,309.63</b>	<b>586,937.75</b>	<b>623,884.00</b>	<b>448,884.00</b>	<b>307,169.00</b>	<b>764,000.52</b>	<b>806,674.02</b>	<b>805,108.02</b>		



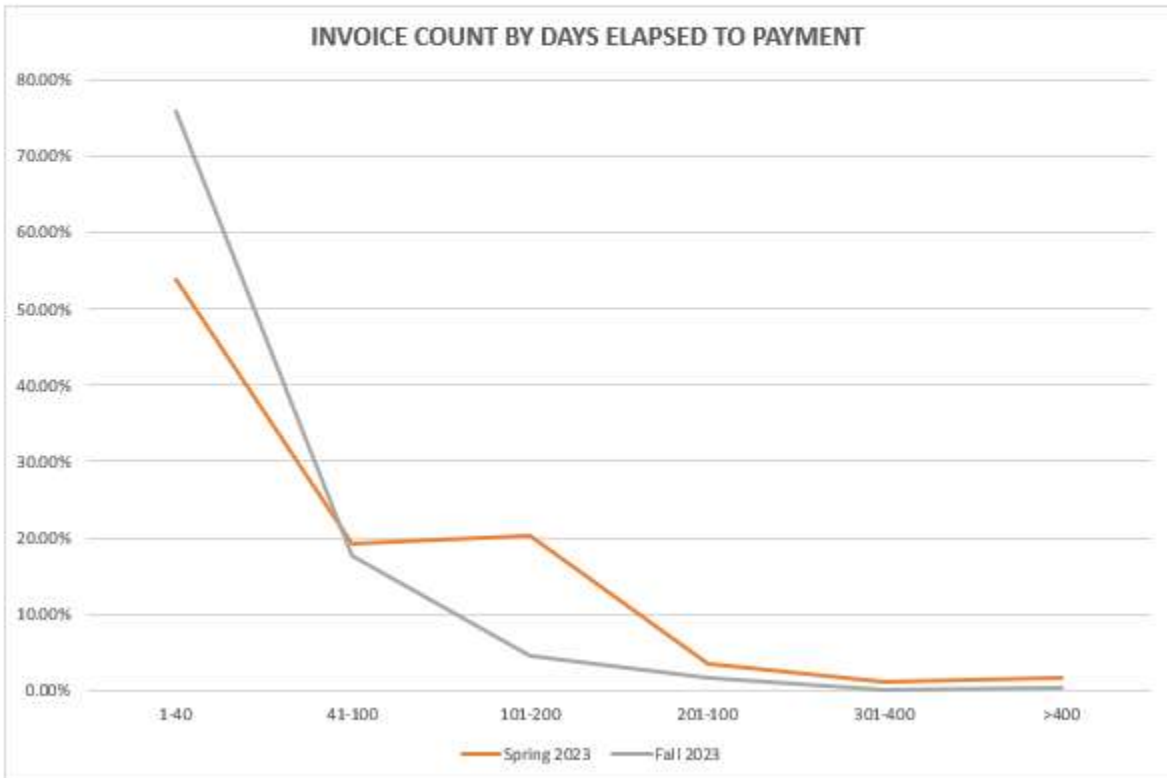


## APPENDIX C: PROMPT PAYMENT DATA

Purchase order data was obtained for payments that occurred between July 1, 2022 and December 15, 2023 (the start of winter break) from OIT. DoA then used the data to analyze days elapsed from invoice date to payment date, per the following screen shots taken from our Excel spreadsheet.

**DISTRIBUTION OF INVOICE COUNT BY DAYS ELAPSED TO PAYMENT (EXPRESSED AS % OF TOTAL)**

Period	1-40	41-100	101-200	201-300	301-400	>400	Total
Spring 2023	53.94%	19.15%	20.40%	3.63%	1.13%	1.75%	100.00%
Fall 2023	75.74%	17.59%	4.63%	1.67%	0.00%	0.37%	100.00%





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Please address inquiries regarding this report to the Division of Audit at (850) 412-5479.

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<sup>17</sup> Formerly the Associate Vice President for Audit and Chief Risk Officer