

Florida Agricultural & Mechanical University
Board of Trustees
Minutes of the Meeting of the Audit Committee
Wednesday, October 6, 2013

Trustee Karl White called the meeting to order.

Attorney Linda Barge-Miles, Executive Assistant to the President, called the roll:

Trustees Karl White, Trustee Torey Alston, Trustee Spurgeon McWilliams,
Trustee Narayan Persaud, Trustee Belinda Shannon

Others Present: Interim President Larry Robinson,
Provost Rodner Wright,
Vice President William Hudson,
Attorney David Self, Attorney Shira Thomas, Attorney Avery
McKnight

Action Items:

Approval of the August 7, 2013, Audit Committee minutes meeting were motioned, seconded, and approved.

Vice President Richard Givens presented revisions of the Division's Audit Charter for approval. Periodically, the Audit Charter is reviewed for revisions to conform the Charter with current standards, as well as its current operations. The Audit Charter guides the Division's activities, defines its roles and responsibilities, and how it reports to the Board. In May, 2013, the Institute of Internal Auditors revised their model audit charter. The proposed revisions bring the DAC Charter into conformance with the institute of internal auditor model charter.

After discussion, questions and comments, revisions to the Division's Audit Charter were motioned upon, seconded, and approved.

Information Items:

The performance evaluation for the Vice President of the Division Audit and Compliance is in process.

The status of the 2013-2014 Internal Audit activities was presented:

- Grade Change Audit in process
- DAC was involved in following up on the recommendations related to the SACS issues
- Followed up on internal audit findings
- Reviewed the Band Compliance
- DAC has started the following audits related to the 2013-2014 Audit Plan: the Administrative Services Assistance Program (ASAP) and the Academic Center for Excellence within the Athletic Department.

The Status of the Past Findings, Summary of Late Findings and DAC Completed Projects for the Period July through September 2013 were presented and discussed. It was discussed that, in the management response to the audit findings, responsible individuals and a date to implement the corrective actions are reported. DAC has developed a database where findings from all audits are entered, and this is used for follow up to ensure that corrective actions are implemented.

VP Givens shared that a review was done of the procedures that were implemented to determine the eligibility of Band members for this year. Since this is the first year of implementation, all three (3) football games played during September, 2013 were reviewed to determine that the procedures for determining eligibility of Band members to perform and travel were followed. Although the procedures were generally being followed, there was one ineligible student who was allowed to perform and travel. The music department had detected this prior to the review and the individual was not allowed to perform at the third game. DAC recommended that a review be done of the music compliance officer's eligibility determination and a procedure was implemented.

DAC Projects in Process: (VP Givens)

- 1) The field work for the Grade Change Audit is completed.
- 2) A review of the band compliance procedures for verifying eligibility of band members for all the football games for the 2013 year will be performed.
- 3) Audit of the Administrative Services Assistance Program is in process.
- 4) Planning has started for the audit of the Academic Center for Excellence within the Athletic Department.
- 5) DAC participated with the Division of Administrative and Financial Services in a Seminar relating to internal controls.
- 6) The Quality Assurance Review required by the internal audit standards has been completed. The review was done by Ernst & Young (E&Y), and DAC received the overall rating that DAC activities generally conform with the internal audit standards, which is the highest rating that can be given. The report concluded that DAC generally conformed in all but two standards, and partially conformed in these two standards. Recommendations were made related to enhancing documentation for work papers and better use should be made of technology based tools and data analytics in conducting audits. DAC has already begun implementing the recommendations and will use for the audits conducted in the 2013-2014 year.

Meeting Adjourned.

Karl White
Chair Audit Committee