

Status Report: Task Force on FAMU Finance and Operational Control Issues  
Derry Harper, Inspector General & Director of Compliance  
December 6, 2007

Task Force Action Plan

VISION

TO MOBILIZE RESOURCES AND DIVERSE CONSTITUENCIES TO SUPPORT FAMU IN RESTORING PUBLIC TRUST IN ITS FISCAL AND ADMINISTRATIVE OPERATIONS.

MISSION

TO IDENTIFY AND RECTIFY THE ROOT CAUSES FOR THE FISCAL AND OPERATIONAL WEAKNESSES THAT PREVENT FAMU FROM MEETING THE NEEDS AND EXPECTATIONS OF STUDENTS, FACULTY, ALUMNI AND THE GENERAL PUBLIC BY PROVIDING OVERSIGHT, RESOURCES, AND TECHNICAL ASSISTANCE IN THE DEVELOPMENT AND IMPLEMENTATION OF EFFECTIVE CORRECTIVE ACTIONS.

GOAL #1

To ensure a sound financial management system that effectively supports the operations of the University is implemented.

OBJECTIVES

- *Validate and verify the implementation of the university's corrective action plan to establish its effectiveness in resolving the Auditor General's operational audit findings.*
- *Verify that the areas of concern identified by the Auditor General which indicate potential misconduct, fraud, waste or abuse have been resolved.*
- *Validate and verify that the university has developed and implemented a sound financial management system that effectively performs all financial and accounting functions, including, but not limited to, general ledger entries, bank reconciliation, financial reporting and the budgetary process.*

GOAL #2

To ensure an organizational structure and plan of operations that can achieve the University's vision and mission is implemented.

OBJECTIVES

- *Verify that the university's system of internal controls is adequate to ensure accountability, integrity, and efficiency in key operational areas, such as contracting procurement and human resources.*
- *Recommend improvements to the university's current hiring, training, and staff evaluation policies and procedures based on industry "best practices."*

### GOAL #3

To ensure that an information technology infrastructure to support the University's financial and administrative operations is implemented.

#### OBJECTIVE

*Verify and validate the development and implementation of an information technology plan that addresses the university's network and systems capability to support the administrative needs (including financial, administrative and student functions) of the university including access to a secure and reliable enterprise resource planning environment.*

### GOAL #4

To ensure a governance structure which promotes accountability and integrity in the operations of the University and restores public trust is implemented.

#### OBJECTIVE

*Review the university's current governance structure and recommend "best practices" for defining the role of the Board of Trustees and the development of an effective working relationship with the university President.*

### Accretive Solutions

#### Task Force on FAMU Auditing Firm

- October 22, 2007 – Accretive Solutions selected as auditing firm.
- November 13, 2007 – Contract entered between Accretive Solutions and the Board of Governors
- December 3, 2007 – Detailed Work Plan
  - o Interviews of FAMU Senior Staff
  - o Task Force Members
  - o Board of Governors Staff
  - o Task Force Action Team Members
  - o Review of FAMU CAP, Task Force Action Plan, Auditor General Audits and SACS

#### IT Task Force Action Team

Created to assist the Task Force on FAMU IT issues

- Comprised of representatives from the State University System, Board of Governors Staff and Accretive Solutions IT staff.
- Reviewed Auditor General IT related findings and prepared a Corrective Action Plan.
- Executive Summaries on FAMU Corrective Actions
  - o Submitted by FAMU CIO.
  - o Lists each audit finding, AG recommendation, FAMU CAP details and narrative on FAMU steps to address findings.

### Auditor General

#### Fiscal Year 2007 FAMU Financial Audit

- Expedited at the request of FAMU.
- Eleven auditors on site.
- November 29, 2007 - Exit conference with FAMU and delivery of Preliminary & Tentative Audit Findings.

#### Southern Association of Colleges and Schools (SACS)

##### FAMU Accreditation

- June 21, 2007 - FAMU placed on probation by SACS
- October 2, 2007 - SACS site visit begins.

December 8-11, 2007 - Annual SACS Meeting and decision on FAMU probation

#### Next Task Force Meeting

December 19, 2007

Any Questions?