

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
March 27, 2008**

SUBJECT: Presentation of the Task Force on FAMU Interim Report

PROPOSED BOARD ACTION

That the Board of Governors accept the "Interim Report of the Task Force on FAMU Finance and Operational Control Issues," including the recommendation that the Task Force continue to monitor several pending projects until June 30, 2008 and delegate to the Audit Committee the responsibility for approving the Task Force's final report.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

N/A

BACKGROUND INFORMATION

On March 20, 2007, Governor Roberts announced the formation of a special task force charged with restoring financial and operational integrity and security to FAMU. The Task Force's mandate she stated was to develop and implement a plan to assist FAMU in addressing fiscal and operational deficiencies identified in a series of critical audits conducted by the Auditor General for the State of Florida. The Board appointed to the Task Force nine (9) individuals with expertise in higher education, finance, accounting and business operations, chaired by Governor Pappas.

The Task Force agreed it was critical to the mission of the State University System that FAMU emerge from this process with integrity and restored operating systems that were transparent and able to withstand the test of future audits. The Members agreed the only way to achieve this goal was to develop a collaborative and cooperative working relationship with the UBOT and its newly appointed President, James H. Ammons.

On April 10, 2007, the Florida Legislature approved a special appropriation to be used by the Board to conduct a comprehensive review of FAMU's fiscal and management operations. These funds were restricted to obtaining contracted services. The Board was directed to appoint a special committee to issue a report no later than March 1, 2008, to the legislature and the Governor that summarized its findings and recommendations.

At its meeting on July 19, 2007, the Task Force adopted an Action Plan consistent with its

mandate from the Board and the legislature and reflecting its fact finding process. The Action Plan vision statement is as follows:

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

We conclude that Florida A&M University (FAMU or University) has implemented adequate and effective controls that address the vast majority of issues raised by several previous audits. The Task Force's evaluation of a number of key areas – including information technology and contracts and grants – has not been completed. However, we have determined that of the 48 corrective actions, which have been in place a sufficient period of time to be subject to a systematic, reliable, validation and verification process, 92 percent have been evaluated as operating satisfactorily.

Supporting Documentation Included: Excerpt (Executive Summary and Introduction) of the Task Force on FAMU Interim Report and a copy of the presentation.

Facilitators/Presenters: M. Lynn Pappas