

# FAMU Financial Audit Update - BOG Audit & Compliance Committee

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Division of Audit – Florida A&M University

June 18, 2025

# Financial Statement Audits

- Financial Audit – March 2025
  1. Financial Statements Presented Fairly
  2. Significant Deficiency – University controls need improvement to ensure that the accounting records and annual financial report are accurate
  3. No Instances of Noncompliance

# Operational Audits

- Operational Audit – October 2024
  - FINDING 1: Special Purpose Investment Account
  - FINDING 2: Bank Account Reconciliations
  - FINDING 3: Prompt Vendor Payments
  - FINDING 4: Personnel Evaluations



# Athletics Financial Audits

- THF Athletics Financial Audit – March 2025
  - Board of Trustees-Required Audit
  - ENGAGEMENT: June 2023
  - SCOPE: FYE June 30, 2022 & 2023
  - TERMINATION: March 4, 2025 (Mutually Agreed Dec. 12, 2024)
  - CAUSE: Inability to provide timely and accurate documentation necessary for us to perform the audit
- FYE June 30, 2024 – No CPA firm under contract to perform BOT-required financial audit

# Athletics Internal Audit

- DoA – March 2025
  - BOT-Required Audit
  - SCOPE: Calendar Year 2023
  - Athletics Purchase & Receipt of Goods
    - Lack of Internal Operating Procedures
    - Budgetary Misclassifications
    - Unauthorized Purchase Commitments
    - Unverified Receipt of Goods
    - Untimely Payments
    - Overall Internal Controls

# Causes

- Turnover Impacts – Instability in key positions – VP for F&A/CFO, Controller, and Athletic Director
  - Loss of Institutional Knowledge
  - Disruption of Routine Processes
  - Decreased Operational Efficiency
  - Recruitment Challenges



# University Status & Plans

- Investment Account & Bank Reconciliations –
  - ✓ Monthly Investments Reconciliation Methodology Established
  - Procedure Revisions Necessary
  - Reconciliations Not Current
  - Procedures and Reconciliations are Dependent on Staff Onboarding

# University Status & Plans

- Prompt Payments
  - ✓ Invoice Resolution Process Established
  - ✓ Department Fiscal Representative Training Ongoing
  - ✓ Significant Progress Since Last Fall
    - ✓ E&G – 58% ↓
    - ✓ C&G – 21% ↓
    - ✓ Auxiliary – 30% ↓
    - ✓ Athletics – 48% ↓
- Guiding Principles, Procedures and Metrics
- Vacant Accountant and Document Imaging/Travel



# University Status & Plans

- Evaluations –
  - PeopleSoft → Workday
  - Monitoring, Reporting, and Reminders
  - Vice President Role
  - Accountability Measures



**Q&A**