

**MINUTES**  
**STATE UNIVERSITY SYSTEM OF FLORIDA**  
**BOARD OF GOVERNORS**  
**AUDIT AND COMPLIANCE COMMITTEE MEETING**  
**January 28, 2026**

*Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at <https://thefloridachannel.org/videos/1-28-26-florida-board-of-governors-meeting/>*

**1. Call to Order**

Mr. Aubrey Edge convened the Audit and Compliance Committee meeting at 3:35 p.m., with the following members present: Ashley Bell Barnett, Tim Cerio, Kimberly Dunn, Ken Jones, Alan Levine, Craig Mateer, and Ashley Lukis. A quorum was established.

**2. Approval of Minutes**

Mr. Cerio motioned to approve the minutes of the Committee meeting held on September 11, 2025, as presented. Mr. Levine seconded the motion. The minutes were approved.

**3. OIGC Updates**

Ms. Leftheris described her office's recently issued internal audit reports. The first was the Linking Industry to Nursing Education (LINE) Funding audit, which determined that the Board and participating universities had generally complied with the statutory and regulatory requirements. Opportunities for improvement related to strengthening documentation, monitoring, and compliance verification.

The second audit was of the Agnes Peebles Memorial Scholarship, managed by the Board of Governors Foundation. The audit found that effective controls have been established over the management and distribution of funds and had no findings.

Regarding the Auditor General's operational audit of the Board, Ms. Leftheris said the report contained two findings: the first related to the regulations and guidance for state universities regarding bonus schemes. The audit found that university reporting to the Board Office was inconsistent and, in some cases, included payments not covered by the bonus types listed in the regulation. Board staff, she said, are working on guidance to promote reporting consistency in compliance with state law and Regulation 9.015.

The operational audit's second finding stated that Board procedures were not effective in ensuring compliance with the BOG regulation that limits SUS non-resident students to no more than 10% of total system-wide enrollment. She reported that Regulation 7.006 was amended in September 2025 to clarify which students are exempt from the non-resident count for the 10% calculation. She said Board Office staff are monitoring universities' compliance and student enrollment data. She added that the Board has the authority to

withhold the transfer of any funds until a university complies with the law or Board Regulation, and that we disagreed with the finding.

Regarding her office's compliance program, Ms. Leftheris briefly described the Fraud Awareness training provided in December to Board staff, noting it was well attended and well received. Additionally, she said her office had recently issued the results of a compliance program self-assessment as required by our Compliance Program Plan. The results were positive, with 92% of questions rated at the Defined maturity level, indicating that her office standardizes and documents its processes, ensuring procedures are clearly defined and consistently implemented.

Last, Ms. Leftheris said she will work with Mr. Edge to develop a mechanism for surveying Board members and solicit input from our university partners as part of her office's strategic plan implementation.

#### **4. FAMU Accounting Update**

Mr. Edge gave a brief description of the Committee's discussion at the June 18, 2025, meeting, which related to the number and nature of the Auditor General's financial and operational audit findings, as well as the status of the delayed audit of the university's athletics program. He said the Committee had agreed to monitor the university's progress in addressing the audit findings at each BOG Audit and Compliance Committee meeting until the university demonstrates significant progress.

FAMU's Vice President for Audit, Joseph Maleszewski, provided a summary of the six key issues that FAMU is facing. The summary slide describes each issue and provides the status of corrective actions. He said the repeated findings that prompted the Board of Governors' oversight are systemic, and that university staff are aware of them and understand their history. They are addressing the root causes rather than taking a fragmented approach. Mr. Maleszewski's subsequent slides described each finding and provided the corrective action status and, if applicable, the next steps.

FAMU's Vice President and Director of Athletics, John Davis, provided an update on the athletics budget and audit findings. He said he began serving as the university's AD on January 5, 2026, and briefly described his professional history, which included managing a billion-dollar annual enterprise budget. Regardless of the scale, he said, the standard remains the same for discipline, transparency, and sustained execution. He said the university's athletics department is no longer operating in isolation, as it now has standing coordination with Finance and Administration, shared reporting expectations, and defined escalation protocols. He assured the Committee that FAMU athletics will meet its obligations, restore confidence, and sustain long-term improvement.

Mr. Edge acknowledged the university's president and leadership team's aggressive approach in addressing these issues. He asked for an update of the university's efforts in obtaining permanent financial/accounting talent. President Johnson said the university's highest priority is securing and stabilizing the leadership. She said they are working with a

recruiting firm to find a chief financial officer. They are also looking for an experienced controller and expect to make their final selection for that position soon. She added that, with support from third-party partners, the university has begun stabilizing the enterprise and creating sustainable, repeatable business processes, which will allow new hires to start with a clean slate.

Mr. Edge recognized the strides President Johnson and her team have made in addressing these issues. He emphasized that this has become a recurring issue that arises every two or three years. He endorsed President Johnson's approach to making appropriate corrections so that these issues do not happen again.

Mr. Levine reported that he had met with President Johnson and the entire cabinet at FAMU that morning, and separately with Athletics Director John Davis and President Johnson. He said the university's leaders are committed to creating processes and systems to correct these issues. It is especially important to focus on the areas of accounting, finance, and athletics that require sound fiscal decisions to be made without outside influence: he asked that the university's alumni give the president, athletics director, and finance staff the space they need to put these systems in place.

Ms. Bell Barnett asked which ERP software is used to conduct faculty and staff evaluations, which software the university is moving to, and when it is expected to be fully implemented. Mr. Maleszewski responded that the current system is a 20-year-old version of PeopleSoft, which includes a robust evaluation module that staff and supervisors found to be overly burdensome. For the most recent evaluation cycle, he said, they have moved away from the ERP process to a more manual one. They are working on implementing Workday for future use. President Johnson added that the interim CIO has reframed the evaluation process to be on a calendar-year basis and reset expectations, starting with goal setting. Each leader has ensured that employee job descriptions align with the work employees are actually doing.

In closing, Mr. Edge said it is important that the university stay on the current track in addressing these issues. He would like to continue the updates at the next Committee meeting.

## **5. Concluding Remarks and Adjournment**

There were no other comments; the meeting adjourned at 3:59 p.m.

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Aubrey Edge, Member, Board of Governors

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Lori Clark, Compliance & Audit Specialist