



**Board of Visitors
Audit, Integrity and Compliance Committee
7:45 a.m.
March 11, 2018
James Cabell Library
901 Park Avenue, Room 311, Richmond, Virginia**

DRAFT

Minutes

COMMITTEE MEMBERS PRESENT

Mr. Keith T. Parker, Chair
Mr. Ronald McFarlane, Vice Chair
Mr. H. Benson Dendy III
Mr. Edward McCoy
Dr. Robert D. Holsworth
Dr. Carol S. Shapiro

COMMITTEE MEMBERS ABSENT

Mr. Todd P. Haymore

OTHERS PRESENT

Mr. William H. Cole, Jr.
Dr. Michael Rao, President
Phoebe Hall, Rector
Mr. Jacob A. Belue
Staff from VCU

CALL TO ORDER

Mr. Keith T. Parker, Chair, called the meeting to order at 7:52 a.m.

APPROVAL OF AGENDA

Mr. Parker asked for a motion to approve the agenda for the May 11, 2018 meeting of the Audit, Integrity and Compliance Committee, as published. After motion duly made and seconded the agenda for the May 11, 2018 meeting of the Audit, Integrity, and Compliance Committee (AICC) was approved.

APPROVAL OF MINUTES

Mr. Parker asked for a motion to approve the minutes of the March 22, 2018 meeting of the Audit, Integrity and Compliance Committee, as published. After motion duly made and seconded the minutes of the March 22, 2018 Audit, Integrity, and Compliance Committee meeting were approved. A copy of the minutes can be found on the VCU website at the following webpage <http://www.president.vcu.edu/board/minutes.html>.

REPORTS AND RECOMMENDATIONS

Auditor of Public Accounts (APA) Entrance Conference For FY 2019 Audit

Ms. Karen Helderman, APA Audit Director, discussed the planning and scope for the annual FY 2018 financial audit. The discussion covered the timing of this year's audit, audit scope and objectives, risk considerations, auditor and management responsibilities, and audit reporting communications.

Audit, Integrity and Compliance Committee Dashboard Measures

Mr. Henson and Mr. Cole presented the current status of the dashboard measures. Indicators for Data Security, Planned Audits and Compliance Oversight are yellow and other indicators are green. Planned Audits moved to yellow due to staff turnover delays in completing a few audits; therefore, carry-over hours will be higher than normal.

Audit, Integrity and Compliance Committee Charter and Meeting Planner Update

Mr. Cole presented a few proposed changes which provide additional clarity to the Committee Charter and Meeting Planner. A motion was made by Mr. Parker to accept the changes. The motion was approved and seconded.

Proposed FY 2019 Audit Work Plan

Mr. Cole discussed the proposed FY 2019 internal audit work plan. Work plan materials included an audit planning overview, the COSO model of internal control framework; financial magnitude functions considered; university plan for risk-based audits for FY 2019; and the proposed three-year (FYs 2019-21) internal audit work plan. Audit and Management Services performed a "deep dive" risk assessment of risk factors, considered industry risks and performed interviews with key stakeholders to develop the three-year plan. A motion was made by Mr. Parker to approve the work plan. The motion was approved and seconded.

Proposed FY 2019 University Ethics and Compliance Program Initiatives

Ms. Kniska presented the proposed annual initiatives for the Integrity & Compliance Office. These initiatives provide assurances that the administration is addressing compliance requirements; ethical behaviors; and overall institutional integrity.

Data Governance Update

Mr. Henson discussed an update on the Data and Information Management Council Phase III Progress Report. The status of activities included a discussion of the progress made by the four task forces: Standards and Policies, Issue Resolution, Communications; and Data Integration and Interoperability.

Audit and Compliance Update for Information

Ms. Kniska reported on the annual Compliance Education. In January 2018, the Integrity and Compliance Office administered the fifth annual Ethics and Compliance Education module to university team members. Completion rates continue to show improvement over prior years. The use of the new learning management system was discussed.

Mr. Cole discussed the Audit Work Plan Status Report. Due to the short length of time from the last committee meeting, no audit reports have been issued; however, four reports are in the final report review stages. In addition, there will be five more audit reports planned for the September meeting.

CLOSED SESSION

On motion made and seconded, the Audit, Integrity, and Compliance Committee of the Virginia Commonwealth University Board of Visitors convened into closed session pursuant to Sections 2.2-3711 (A) (1) and 2.2-3711 (A) (7) of the Virginia Freedom of Information Act to discuss certain personnel matters involving the performance of identifiable employees or faculty of the University, and to discuss the evaluation of performance of departments or schools of the University where such evaluation will necessarily involve discussion of the performance of specific individuals, including Audit Reports of individually identified departments and/or schools, and to consult with legal counsel and receive briefings by staff members regarding legal matters and actual or probable litigation relating to the aforementioned Audit Reports where such consultation or briefing in open session would adversely affect the negotiating or litigating posture of the University.

RECONVENED SESSION

Following the closed session, the public was invited to return to the meeting. Mr. Parker, Chair, called the meeting to order. On motion duly made and seconded the following resolution of certification was approved by a roll call vote:

Resolution of Certification

BE IT RESOLVED, that the Audit, Integrity, and Compliance Committee of the Board of Visitors of Virginia Commonwealth University certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the Committee of the Board.

| <u>Vote</u> | <u>Ayes</u> | <u>Nays</u> |
|----------------------------------|--------------------|--------------------|
| Mr. Keith Parker, Chair | X | |
| Mr. Ronald McFarlane, Vice Chair | X | |
| Mr. Ben Dendy | X | |
| Dr. Robert Holsworth | X | |
| Mr. Edward McCoy | X | |
| Dr. Carol Shapiro | X | |

All members responding affirmatively, the motion was adopted.

ADJOURNMENT

There being no further business Mr. Parker, Chair, adjourned the meeting at 9:21 a.m.