

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON AUDIT AND COMPLIANCE
2:00 P.M., THURSDAY, SEPTEMBER 15, 2022
GATEWAY DINING & EVENT CENTER
(on the campus of Virginia State University)**

DRAFT AGENDA
(No Public Comment Period Scheduled)

CALL TO ORDER Mr. Jon Moore, Chair

ROLL CALL

APPROVAL OF AGENDA

APPROVAL OF PREVIOUS MEETING MINUTES (if any)

- June 17, 2022 Committee Meeting

PRESIDENT'S REMARKS Dr. Makola M. Abdullah

REPORTS AND RECOMMENDATIONS

- Approval item: None
- Information items..... Ms. Shawri King-Casey
Vice President, Institutional Integrity & Compliance
 - Introduction of the new Chief Audit Executive, Nannette Williams
 - Report on the Inaugural Meeting of the Internal Audit and Compliance Committee
 - Corrective Action Plan (CAP) Detail Update
 - Training
 - New Business
 - Fiscal Year (FY) 21 Audit

OTHER BUSINESS

ADJOURNMENT

All start and ending meeting times are approximate. Meetings may begin after the posted start time at the pleasure of the Board. The Board reserves the right to change its schedule as necessary.

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON AUDIT AND COMPLIANCE
MINUTES
SEPTEMBER 15, 2022**

CALL TO ORDER

Mr. Jon Moore, Chair, called the Audit & Compliance Committee meeting to order at approximately 2:14 p.m. in the Gateway Dining & Event Center.

ROLL CALL

A quorum was present.

Committee Members Present:

Mr. Jon Moore
Dr. Robert Denton, Jr.
Dr. Harold Green, Jr.
Dr. Leonard Haynes III (*absent*)
Mr. William Murray (*absent*)
Dr. Valerie Brown, Rector (*ex-officio*)

Other Board Members Present:

Mr. Victor Branch
Dr. Christine M. Darden
Ms. Shavonne Gordon
Mr. Glenn Sessoms

Legal Counsel:

Ms. Cynthia Norwood Marquez, Senior Assistant Attorney General

Administration Present:

Dr. Makola M. Abdullah, President
Dr. Donald Palm, Provost/Sr. Vice President for Academic and Student Affairs
Kevin Davenport, Senior Vice President for Finance & Administration/CFO
Shawri King-Casey, Vice President for Institutional Integrity and Compliance
Dr. Tia Minnis, Vice Provost for Academic Success, Planning, and Institutional Effectiveness
Dr. Gwendolyn Williams Dandridge, Asst. Vice President/Director, Office of Communications
Dr. Annie C. Redd, Chief of Staff/Director, Board Operations and Relations
Maurion Edwards, Chief Information Officer

Others Present:

Kendra White, Office of Compliance
Nannette Williams, Chief Audit Executive
Derrick Jennings, Technology Services
Deborah Jefferson, President's Office
Danette Johnson, President's Office
Marjorie Muse, President's Office
Yourdonus James, Director, Conference Services

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INVOCATION

Pastor Graham offered the invocation.

APPROVAL OF AGENDA

The Committee approved the agenda by voice vote.

APPROVAL OF PREVIOUS MEETING MINUTES (if any)

The Committee approved the minutes from the June 17, 2022 committee meeting.

PRESIDENT'S REMARKS

President Abdullah expressed thanks to Chairman Moore for leading the newly formed Audit and Compliance Committee. He also expressed thanks to Shawri King-Casey, Vice President for Institutional Integrity and Compliance, for her work with the Committee as well as her efforts during the search for the University's new Chief Audit Executive. Finally, President Abdullah thanked Tasha Owens, the former Interim Chief Audit Executive, for her work and contribution to the University in that position.

REPORTS AND RECOMMENDATIONS

Chairman Moore also expressed his appreciation to Ms. Owens. He informed that the Committee had no approval items to discuss and opted to save his comments until the end of the meeting. The Chair then yielded the floor to Ms. King-Casey.

Ms. King-Casey began her presentation with a brief history of the Audit and Compliance Committee's formation. She explained the Board of Visitors created the Committee to provide sustained attention to audit findings and give proper oversight to the University's audit and compliance functions. Accordingly, the Committee's first post-formation charge was to conduct the search for the University's new Chief Audit Executive. Ms. King-Casey reported the search's success via the introduction of Nannette Williams. Ms. King-Casey yielded the floor to Ms. Williams for brief remarks.

Ms. Williams acknowledged the Board, described the warm welcome she had received, and expressed how "Trojantly" excited she was to assume the new Chief Audit Executive role. Ms. Williams also noted that the University appeared to be on the right trajectory and thanked everyone for welcoming her. Ms. King-Casey concluded this segment of her report by thanking Chairman Moore for his involvement and participation with the Chief Audit Executive search.

Next, Ms. King-Casey provided an update on the newly formed University Internal Audit and Compliance Committee ('UIAC'). The UIAC, as Ms. King-Casey explained, was patterned after the Enterprise Risk Management Committee present on the campus approximately 10 years ago. The UIAC's purpose is to create an internal infrastructure of risk identification and problem solving, break down information silos and ultimately support compliance culture and continuous process improvement.

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Ms. King-Casey further shared that the UIAC Committee is comprised of business unit leaders from various areas across the campus. The first two UIAC meetings (August and September 2022) were productive as participants displayed enthusiastic engagement and optimism about UIAC's potential impact. Discussions have covered and will cover operational and financial issues, risk assessment, mitigation strategies, proper allocation of resources for corrective action, prioritization, proportionality and remediation/corrective actions.

Ms. King-Casey noted that Internal Audit and the Office of Institutional Integrity & Compliance ("OIIC") continue to work together to educate and assist the University's staff in laying the groundwork for process mapping, and workflow development as well as risk identification and assessment. She emphasized the critical role the education component will have in sustaining the compliance culture at the University.

After presenting the UIAC report, Ms. King-Casey updated the Board on the status of the University's Corrective Action Plan ("CAP"). She first recalled the daunting task facing the University last year to tackle the CAP findings and then illuminated the University's progress towards resolving the findings through the collaborative efforts of Internal Audit, the OIIC, and compliance partners across the University's campus. Ms. King-Casey elaborated on this progress by highlighting the reduction of the Internal Audit items listed on the CAP from 40 findings to 20 items; the reduction of the State Council of Higher Education for Virginia (SCHEV) recommendations from 7 to 1 remaining item; and the in-progress status of the Auditor of Public Accounts ("APA") FY20 comments. She noted that many of the FY20 comments were internally addressed and are awaiting APA's verification. As for APA FY20 items that will likely be classified as repeat findings on the APA FY21 report, the University, per Ms. King-Casey, is taking a tailored approach to aligning and prioritizing systemic issues to properly resolve the items.

After completing the CAP update, Ms. King-Casey yielded the floor to Kendra White, Compliance and Policy Analyst, to discuss the OIIC's training opportunity during the University's 2022 Opening Conference. Ms. White briefly described the presentation's substance entitled, "For the (VSU Compliance) Culture", and explained the presentation's purpose of encouraging participants to consider how a changed perspective about compliance could positively impact the compliance culture and, therefore, the University's operational effectiveness. The "we" mentality has to override the "me" mentality, according to Ms. White, to encourage collaboration, creative problem solving, accurate use of skillsets, and an environment of support throughout the University to push the institution to achieve GREATER.

Ms. King-Casey made her conclusory remarks following Ms. White's segment, which included underscoring the University's anticipation of receiving its APA FY21 report. She then yielded the floor to the Chair.

Chairman Moore began his remarks by affirming the accountability of the Chief Audit Executive to the Board. He expressed his desire to see collaboration between the Board's Audit and Compliance Committee and University leadership and shared that the synergy has begun.

Chairman Moore recognized the APA's George Strudgeon and his presence at the meeting and then used his remaining remarks time to give an operational overview of audits. The Chair explained that audits are

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a look back at an entity's actions and noted that most Virginia institutions of higher education receive their audit reports by June. Chairman Moore stated that Virginia State University is still waiting for its FY21 report as of the current Board meeting. He pointed out the delay in the University receiving its FY20 report and encouraged the Committee to be mindful of the timing of these reports when assessing progress in resolving comments.

Following his comments on the timing of APA audits and reports, Chairman Moore thanked Mr. Strudgeon for their recent conversation and the APA overview Mr. Strudgeon provided at that time. The Chairman also shared his response to Mr. Strudgeon's question about his awareness of any risk or fraud pertaining to the University. Per Chairman Moore, he was unaware of either and that the risk areas were covered in the audit report.

Chairman Moore completed his remarks and yielded the floor to Rector Valerie Brown. Rector Brown expressed thanks to the Chairman for his service and for taking the Committee above and beyond her greatest expectations in such a short time.

OTHER BUSINESS

ADJOURNMENT

There being no further business, Chairman Moore called for a motion to adjourn the meeting. The motion was received, properly seconded; and the committee voted by voice vote. The Chairman adjourned the meeting at approximately 2:30 p.m.

Approved:

Chair

Date