

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON AUDIT AND COMPLIANCE
3:30 P.M., THURSDAY, FEBRUARY 6, 2025
Gateway Dining & Event Center, 2nd Floor
(No Public Comment Period Scheduled)**

DRAFT AGENDA

CALL TO ORDER Ms. Daphne Meeks, Vice Chair

ROLL CALL

INVOCATION (*Pastor Seth Gooden, Director of Campus Ministries*)

APPROVAL Of AGENDA

APPROVAL OF PREVIOUS MEETING MINUTES (if any)

 Σ November 14, 2024 Meeting Minutes

PRESIDENT’S REMARKS..... Dr. Makola M. Abdullah

CLOSED SESSION (if any)

REPORTS AND RECOMMENDATIONS

 A. Infrastructure Update

- a. FY 23 APA Audit Recap and FY24 Audit in Progress – Latoya Jordan and Staci Henshaw, Auditor of Public Accounts Presentation
- b. Brief Management Response - Shawri King-Casey, VP of Institutional Integrity and Compliance

 B. Internal Audit Report – Nannette Williams, Chief Audit Executive

- 1. Audit Plan Progress Update
- 2. Internal Quality Assurance Review Report
- 3. External Quality Assurance Review Update

CONCLUSION

ADJOURNMENT

1.28.25

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON AUDIT AND COMPLIANCE
DRAFT MEETING MINUTES
THURSDAY, FEBRUARY 6, 2025**

CALL TO ORDER

Visitor Meeks called the Audit and Compliance Committee meeting to order at 3:00 PM at The Gateway Dining & Event Center, 2nd Floor 2804 Martin Luther King Drive, located on the Campus of VSU.

ROLL CALL

A quorum was present.

COMMITTEE MEMBERS PRESENT:

Dr. Valerie K. Brown
Dr. Joseph A. F. Chase, Jr.
Dr. Harold Green, Jr.
Dr. Leonard Haynes, III
Ms. Daphne Meeks
Mr. Jon Moore (Chair) *absent*
Mr. Robert Thompson

BOARD APPOINTEES:

Dr. Tracy Jackson, Faculty Representative
Mr. Yousif Omer, Student Representative (Absent)

OTHER MEMBERS PRESENT:

Dr. Robert Denton, Jr.
Mr. Peter McPherson
Ms. Verndell Robinson
Mr. Victor Branch
Mr. Robert Thompson

ADMINISTRATION PRESENT:

Dr. Makola M. Abdullah, President
Dr. Tia Minnis, Provost/Vice President for Academic and Student Affairs
Ms. Tonya S. Hal, Vice President for Advancement and External Engagement
Mr. Kevin Davenport, Senior Vice President for Finance & Administration/CFO
Ms. Shawri King-Casey, Vice President for Institutional Integrity & Compliance
Dr. Alexis Brooks-Walter, Vice President for Student Affairs/Enrollment Management
Dr. Annie C. Redd, Chief of Staff/Director, Board Operations & Relations

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LEGAL COUNSEL
Mr. Nathan Moberly

INVOCATION

The Chair called Pastor Seth Ahmad-McQueen, to deliver the invocation.

APPROVAL OF AGENDA

The Committee approved the agenda by voice vote.

APPROVAL OF PREVIOUS MEETING MINUTES

The Committee approved the minutes from the meeting on November 15, 2024, by voice vote.

PRESIDENT'S REMARKS

President Abdullah gave his time to the presenters.

CLOSED SESSION

Chair Moore asked for a motion to enter a closed session for the discussion or consideration of personnel matters pursuant to 2.2-3711(19), Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency service officials concerning actions taken to respond to such matters or a related threat to public safety; discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, structure, information technology system, or software program; or discussion of reports or plans related to the security of any governmental facility, building or structure, or the safety of persons using such facility, building or structure; namely, the findings of the cybersecurity investigation performed by the Office of the State Inspector General (OSIG) and the findings of the Medicaat audit performed by the Virginia State University Internal Audit Office.

Upon returning to open session, the Committee certified that during its closed meeting, the committee discussed only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and only those public business matters identified in the motion convening the board in closed session. The motion was made, properly seconded, and approved by roll call vote.

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REPORTS & RECOMMENDATIONS

Vice President of Institutional Integrity & Compliance Shawri King-Casey welcomed everyone and presented Auditor of Public Accounts (APA) Staci Henshaw, who will address the fiscal year 2023 (FY23) and fiscal year 2024 (FY24) audits. Ms. Henshaw gave a summary of her position and the APA Office. Due to her impending transfer to another Commonwealth department, she announced a modification to the FY24 audit that includes replacing the incumbent audit-in-charge, Ms. LaToya Jordan. According to Ms. Henshaw, the APA Office will be the source of the new project manager, and the choice will be made in a way that guarantees a seamless transfer without affecting the audit's timeline.

Ms. Henshaw then gave some more opening remarks about her wish to make sure that the future of VSU's audits in FY24 and beyond represented a seamless procedure. In keeping to work together to achieve ongoing improvement, Ms. Henshaw asked the Committee members to get in touch with her directly if they had any questions.

Following her opening remarks, Ms. Crenshaw focused her presentation on the audit results for FY23. According to Ms. Henshaw, the audit took place between July 2022 and June 2023. Ms. Henshaw stated that the audit was conducted between February and August of 2024, with a majority of the fieldwork completed in February. The audit's goals, which included a review of financial statements, internal controls, compliance, and deficiencies, were then explained by Ms. Crenshaw.

As for the more specific details about the audit results, according to Ms. Henshaw, VSU received an unmodified opinion on its financial statements and the University's Foundation statements. The internal control report was issued in November 2024, although September 2024 was the date the APA had all of the necessary information to draft its opinion. Ms. Henshaw acknowledged that the University is making good progress as it has reduced its findings from 18 to 5 in a matter of 3 audit cycles.

Regarding the statewide single audits, Ms. Henshaw discussed VSU's outstanding findings and the current status. Under the compliance objective, there were three (3) instances of non-compliance in IT. No fraud or illegal acts were found. There were no material changes to significant accounting policies. The Significant Accounting Estimates were reasonable and fairly stated. There was proper treatment of accounting principles with no material alternative principles and no disagreement with management regarding this issue. Significant audit adjustments were listed in the financial report findings. Finally, VSU had one uncorrected misstatement in its financials that was inconsequential.

Upon the conclusion of Ms. Crenshaw's presentation and a brief question-answer period, the Committee moved to a closed session. The Committee re-entered the open session at 3:57 PM and continued with questions.

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Visitor Haynes inquired about whether the APA audit teams compare and contrast information or share processes as they all conduct audits for other institutions.

Ms. Henshaw explained that there are some things done across the board. Internal work papers are open to review by audit teams but typically not to the public to exemptions under Virginia's Freedom of Information Act. Higher education audit teams do come together to share advice and efficiencies.

Visitor Haynes asked a follow-up question regarding whether informal opinions are offered. Ms. Henshaw responded that sometimes there is sharing of information which can include recommendations. Ultimately, per Ms. Henshaw, decisions about the audit rest with the audit's project manager and Ms. Henshaw. There being no further questions, Ms. Henshaw yielded the podium to VP King-Casey and Ms. Williams.

VP King-Casey thanked the APA for collaboration noting that the FY24 entrance conference occurred before the University's winter break. Internally, the University's staff has held an audit intake meeting to proactively prepare for the FY24 audit. VP King-Casey gave kudos to the University's Financial Aid Department, complimenting the unit's success in the state single-wide audit and highlighting the positive remarks from the auditor regarding the working relationship. After a recap of the FY23 report and an update on the status of corrective actions, VP King-Casey yielded the floor to Ms. Williams for the Internal Audit team updates.

Ms. Williams provided an overview of Internal Audit's audit activity noting the conclusion of some audits with target dates for reports and the initiation of other audits. Ms. Williams also provided a status update on the Quality Assurance Review (QAR) audit informing that she anticipated the external QAR audit to be concluded by the end of February. As for the internal QAR, Ms. Williams shared that her office is mostly compliant with standards. She explained that the issues identified primarily centered around working out kinks associated with the use of the automated audit management system.

There being no follow-up questions, Ms. Williams concluded her report.

ADJOURNED

Visitor Meeks called for a motion to adjourn it was moved, properly seconded, and voted on to adjourn. The meeting was adjourned at 4:12 PM.

APPROVED:

Chair

Date