

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON AUDIT AND COMPLIANCE
12:00 p.m., THURSDAY, SEPTEMBER 14, 2023
Gateway Dining & Events Center
(on the campus of Virginia State University)
(No Public Comment Period Scheduled)**

CALL TO ORDER Mr. Jon Moore, Chair

ROLL CALL

INVOCATION (Pastor Seth Ahmad-McQueen)

APPROVAL OF AGENDA

APPROVAL OF PREVIOUS MEETING MINUTES

- April 20, 2023 Meeting Minutes

PRESIDENT’S REMARKS Dr. Makola M. Abdullah

CLOSED SESSION.....Cybersecurity Discussion-pursuant to Code §2.2-3711(19)

REPORTS AND RECOMMENDATIONS

- Approval Items:
 - Internal Audit Charter, 2023-2024

- Information Items:
 - Internal Audit Plan, Audit Charter, & Audit Team UpdateMs. Nannette Williams
Chief Audit Executive

 - FY 22 APA Audit Status Update.....Ms. Shawri King-Casey
VP Institutional Integrity and Compliance

 - Office of the Inspector General - Clery Act Report Results Ms. Shawri King-Casey

OTHER BUSINESS

ADJOURNMENT

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
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12:00 p.m., THURSDAY, SEPTEMBER 14, 2023**

CALL TO ORDER

Chair Jon Moore called the Audit and Compliance Committee ("Committee") meeting to order at 12:04 p.m. Dr. Annie Redd performed the roll call.

ROLL CALL

A quorum was present:

Committee Members Present:

Mr. Jon Moore
Shavonne Gordon (*absent*)
Mr. William Murray
Dr. Valerie Brown, Rector (*absent*)
Dr. Robert Denton, Jr.
Dr. Harold Green, Jr.

Dr. Leonard Githinji, Faculty Representative
Ms. Kailyn Haye, Student Representative (*absent*)

Other Members Present

Mr. Victor Branch
Dr. Joseph A.F. Chase, Jr.
Ms. Daphne Meeks
Mr. Edward Owens (*participated by electronic communication*)

Administration Present:

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

Legal Counsel:

Cynthia Marquez, Attorney General

Other Attendees:

Dr. Robert Corley, Vice Provost for Academic and Student Affairs
Dr. Gwendolyn Dandridge, Asst. Vice President/Director of Communications
Maurion Edwards, CIO/Technology Services
Dr. Michelle Corley, Special Assistant to the Provost
Dr. Alexis Brooks-Walter, Vice President for Enrollment Management
Dr. Tracy Barley, Provost Office
Chief David Bragg, Asst. Vice President/Chief, VSU Police and Public Safety
Rodney Hall, President's Office
Danette Johnson, President's Office
Debbie Jefferson, President's Office

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Tina Cabrera, President's Office
Kendra White, Office of Compliance/Policy Analyst
Eldon Burton, IA
Franklin Antonio, Technology Services
Derrick Jennings
Tiffany Gullins, IA
Franklin Johnson-Norwood, IA
Joyce Henderson, VSUREF
Adrian Petway, Finance

INVOCATION

Pastor Seth Ahmad-McQueen gave the invocation.

APPROVAL OF AGENDA

Motions were passed to accept the meeting's agenda.

APPROVAL OF PREVIOUS MINUTES

Visitor Moore called for a motion to approve the minutes from the April 20, 2023, Committee meeting. It was moved, seconded, and voted in the affirmative to approve the previous meeting's minutes.

PRESIDENT'S REMARKS

Visitor Moore opened the floor to President Abdullah for remarks, during which President Abdullah thanked everyone for their contributions to the audit and compliance work.

CLOSED SESSION

At 12:08 p.m., Visitor Moore entertained a motion to enter a closed meeting to discuss cybersecurity pursuant to Virginia Code § 2.2-3711 (19). President Abdullah, Dr. Redd, Ms. Shawri King-Casey, Mr. Kevin Davenport, Ms. Cynthia Norwood Marquez (University Counsel), Ms. Nannette Williams and her team consisting of Mr. Ahmad Lewis, Mr. James Austin, and Ms. Chassidy Comer, and were identified as individuals who needed to remain for the meeting. The motion was moved, properly seconded, and passed, and the meeting entered a closed session. The Committee completed the closed meeting, certified the meeting with a motion, second, and affirmative roll call vote, and resumed the open meeting at @12:18 P.M.

REPORTS AND RECOMMENDATIONS

The Committee completed the closed session, certified the session with a motion, second, and affirmative vote, and resumed the open session with a presentation from Ms. King-Casey, Vice President for Institutional Integrity & Compliance, and Ms. Nannette Williams, Chief Audit Executive. Ms. King-Casey provided opening remarks regarding the presentation's theme, "Greater Progress, Pursuit, and Purpose," and then yielded the podium to Ms. Williams. Ms. Williams directed the Committee's attention to the Audit Charter, the fiscal year 2024 Risk Assessment, and the

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proposed fiscal year Audit Plan to request approval of those items. Next, Ms. Williams provided additional detail regarding the proposed Audit Plan, including the eight new and continuing Procurement audits. The proposed audits are as follows:

- McKenzie Scott Funds Audit – This audit is underway.
- Financial Statement Review – Per Ms. Williams, this review will be done before the Auditor of Public Accounts ("APA") review. Stephen Huffman, University Controller, is wrapping up the latest report; at this point, the Internal Audit office will do a high-level review to determine if any variances exist. November is the target completion date for review.
- APA Corrective Action Plan Testing – Through this Audit, the Internal Audit team will be able to follow up on, test, and validate a business unit's corrective action status. Ms. Williams noted that this activity in the Plan was a proactive consultation designed to help the University maintain its momentum after closing 11 APA audit points.
- Capital Outlay Audit – Per Ms. Williams, this audit will be the longest and most involved because of the number of the University's ongoing projects. The audit intends to ensure that the University has followed relevant laws, regulations, and policies regarding the projects and correctly capitalizes expenses.
- Cashier Operations – Per Ms. Williams, this audit is not anticipated to last long but is a means to get a feel for the area and its operations.
- Cyber Security Review – This audit will be a high-level look at the University's cyber security.
- 2 IT Security Audits – Per Ms. Williams, these audits are required by Virginia but have always been contracted out. This cycle, however, we decided to bring the audit in-house and selected two University systems for review.

Ms. Williams opened the floor to questions from the Committee, and Visitor Moore acknowledged the thought given to the Plan. Additionally, Visitor Moore stated the intent for the Committee to recommend approval of the Audit Charter to the full Board.

Ms. Williams concluded her presentation with introductions of the Audit Team and summaries of their career backgrounds and announced that the team will be fully staffed as of September 25, 2023. She recognized two of the three team members attending the meeting: Mr. Ahmad Lewis, Assistant Director of Internal Audit, and Mr. James Austin, IT Audit Manager. Ms. Chassidy Comer, Senior Auditor, will join on September 25, but, per Ms. Williams, she will attend the next board meeting. Visitor Moore congratulated the audit team for the well-thought-out Plan, the strength of the team, and the progress achieved in a year.

Ms. King-Casey continued the presentation with the fiscal year 2022 Audit Update. She acknowledged Mr. George Strudgeon, APA Project Manager, and thanked him for his diligence and commitment to the work. Per Ms. King-Casey, Mr. Strudgeon will return during the November board meeting to review the final draft of the fiscal year 2022 Audit Report. However, the draft report received on August 28, 2023, showed a reduction in findings, including 11 closed items, one new finding, and no material weaknesses. Corrective action is underway for the remaining findings.

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Ms. King-Casey attributed the success to the centralization of the audit response process within the University, bi-weekly meetings between the University and the APA, and immediate escalation of issues.

Accordingly, she thanked individual business units for the critical work done at the height of the University's enrollment success. Ms. King-Casey also thanked President Abdullah, Mr. Davenport (Senior VP for Finance and Administration), Mr. Huffman, Ms. Sandra Davis (Assistant Controller), and Mr. Mark Jacobson (Director of Financial Services) for their efforts, acknowledging that Mr. Huffman, Ms. Davis, and Mr. Jacobson were navigating ARMICS (Agency Risk Management and Internal Control Standards), end of year wrap up, and the fiscal year 2022 audit at the same time.

Ms. King-Casey then turned her attention to the Office of Inspector General (OSIG) Clery Audit report. By way of update, Ms. King-Casey noted that two of the three findings from this audit required no further corrective action. As for the remaining findings, the corrective action was implemented. Ms. King-Casey concluded her presentation by acknowledging that despite progress, there will still be setbacks. Nevertheless, she conveyed confidence that the University is on the right course.

After the presentation, Visitor Moore asked for a motion to recommend approval of the Charter and Audit Plan to the Full Board. It was moved, properly seconded, and voted to take that action. Afterwards, Visitor Moore yielded the floor to President Abdullah. President Abdullah acknowledged the team and their efforts, including Mr. Davenport and Mr. Huffman; Ms. King-Casey and Ms. Williams; and Mr. Strudgeon, adding his appreciation for the partnership and meeting people where they are; Visitor Moore for his leadership; and Rector Brown and the Board Visitors for their foresight to create and maintain the Committee.

Visitor Moore added his thanks to Mr. Strudgeon for his efforts. Mr. Moore acknowledged Mr. Strudgeon's consistent presence at the board meetings. Visitor Moore also recalled Mr. Strudgeon's comments from a previous meeting regarding the likelihood that the University would see increases before it saw decreases and Mr. Strudgeon's commitment to calling balls and strikes. Visitor Moore thanked and celebrated Ms. King-Casey and Ms. Williams for their progress and added that he was looking forward to the year ahead.

CONCLUDING REMARKS

Visitor Moore concluded his remarks with a welcome to the new Committee members. Visitor Moore asked for a motion to adjourn. It was moved, properly seconded, and affirmatively voted to adjourn at 12:37 p.m.

Approved:



Chair



Date