

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
FACILITIES, FINANCE AND AUDIT COMMITTEE
MEETING MINUTES**

**2:00 p.m.; Thursday, April 12, 2018
Board Room, Virginia Hall, Room 310**

CALL TO ORDER

Mr. Michael Flemming, Committee Chair, called the meeting of the Virginia State University (VSU) Board of Visitors (Board) Facilities, Finance and Audit Committee (Committee) to order in the Board Room of Virginia Hall on the campus of Virginia State University at approximately 2:10 p.m.

ROLL CALL

A quorum was present.

Mr. Charlie Hill called in from the remote location as indicated in the meeting notice: One Ambassador Drive, Hampton, VA, 23666.

Committee Members Present:

Michael Flemming
Huron Winstead
Paul Koonce (approx. 2:20)
Jay Stegmaier (approx. 2:10)
Gregory Whirley
Charlie Hill (electronic means)
Wayne Turnage (*absent*)

Administration Present:

Dr. Makola M. Abdullah, President (*electronic means*)
Mr. Hubert Harris, Vice President, Administration
Ms. Sheila Alves, Chief Audit Executive
Mr. Kevin Davenport, Vice President, Finance
Mr. Osubi Craig, Special Asst. to President for Special Projects and Strategic Initiatives
Dr. Annie C. Redd, Special Asst. to President/Board Liaison

Guest:

Karen Helderman, State Auditor

Legal Counsel Present:

Ms. Ramona Taylor, Asst. Attorney General/University Legal Counsel

Others Present:

Mr. Travis Edmonds, IT Specialist

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APPROVAL OF AGENDA

The Committee approved the agenda as printed.

APPROVAL OF MINUTES

The Committee approved the minutes from the March 8, 2018 meeting.

REPORTS AND RECOMMENDATION

Division of Finance

Karen Helderman, State Auditor, attended the meeting to review information on the annual audit report for the year ended June 30, 2017. The audit found the financial statements are presented fairly, in all material respects, and there are no internal control findings requiring management's attention that are considered to be material weaknesses.

Ms. Helderman reviewed 4 audit comments relating to the internal control structure. Discussion followed regarding the University's Corrective Action Work Plan for FY 2017. The Student Financial Aid Programs will be included in the 2018 audit as part of a three-year standard review for all public universities. The audit for the financial aid programs will begin in the fall 2018, with a target completion date of March 2019.

Mr. Davenport presented the FY 2017-18 Budget to Actual Report (expanded) and the FY 2017-18 Actual to Actual Report as of March 31, 2018 (new). Discussion followed with committee members recommending a change to the language in the resolution for approval of the FY 2018-2019 Operating Budget. The language should reflect some control such as the President will have authority to re-allocate funds subject to the approval of the Board. President Abdullah agreed with the recommendation. Mr. Davenport will revise the resolution.

Discussion followed regarding the Schedule of Capital Projects as of March 31, 2018 (New) with modifications to include renovation projects such as the President's House.

Mr. Davenport presented resolution for approval of the proposed tuition increase with supporting information. Committee members expressed concerns as to the need for VSU to raise tuition and other fees. After further discussion, committee members requested additional information that would help the committee make a final decision on the tuition increase. Mr. Flemming asked Mr. Whirley and Mr. Koonce to share the committee's discussion and concerns at the upcoming Annual Board Meeting. As the discussion concluded, committee members indicated that they appreciated seeing the additional schedules and information provided by the Finance team.


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Ms. Sheila Alves, Chief Audit Executive, presented an Internal Audit update which included 1) Internal Audit Plan Status, 2) Internal Audit Staffing Status, 3) Hotline Summary, and 4) Internal Audit's Corrective Action Plan.

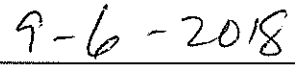
Mr. Hubert Harris, Vice President, Division of Administration, presented a technology update which included the technology services ecosystem issues. Mr. Harris also addressed the problem of identity and access management cited in the SACSCOC site visit and the audit finding and presented solutions to the problem.

ADJOURNMENT

There being no further business, Mr. Flemming adjourned the meeting of the Committee at approximately 4:00 p.m.



Michael Flemming, Chair



Date