



**Board of Visitors**  
**Audit, Integrity and Compliance Committee**  
**7:45 a.m.**  
**May 12, 2017**  
**James Cabell Library**  
**901 Park Avenue, Room 311, Richmond, Virginia**

**Minutes**

**COMMITTEE MEMBERS PRESENT**

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

**COMMITTEE MEMBERS ABSENT**

Rev. Tyrone Nelson

**BOARD MEMBERS PRESENT**

Mr. John A. Luke, Rector

**OTHERS PRESENT**

Mr. William H. Cole  
Dr. Michael Rao, President  
Mr. Jacob A. Belue  
Staff from VCU and VCUHS

**CALL TO ORDER**

Mr. Steve L. Worley, Chair, called the meeting to order at 7:45 a.m.

**APPROVAL OF MINUTES**

Mr. Worley asked for a motion to approve the minutes of the March 22, 2017 meeting of the Audit, Integrity and Compliance Committee, as published. After motion duly made and seconded the Minutes of the March 22, 2017 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 2018 Audit**

Ms. Karen Helderman, APA Audit Director, discussed the planning and scope for the annual FY 2017 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, Compliance, and Integrity Committee Dashboard Measures**

Mr. Bill Cole, Executive Director of Audit and Compliance Services, reviewed the Committee Dashboard Measures. Mr. Alex Henson, Chief Information Officer, discussed current information technology security measures in place and planned related to the Data Security measure. Indicators for Data Security, Compliance Oversight, and Planned Audit Status are yellow and all other indicators are green.

### **Audit, Integrity, and Compliance Committee Charter and Meeting Planner Annual Update**

Mr. Bill Cole reviewed annual updates to the Committee Charter and Meeting Planner. There were a few proposed changes which provided additional clarity to the charter. The Committee Charter and Meeting Planner are reviewed and approved annually. The committee approved the committee charter and meeting planner for recommendation to the board.

### **Proposed FY 2018 Audit Work Plan**

Mr. Bill Cole discussed the FY 2018 audit work plan for the committee's review and approval. The work plan materials included an audit planning overview, the COSO model of internal control and enterprise risk management frameworks; financial magnitude functions considered; university plan for risk-based audits for FY 2018; and the proposed FY 2018 audit plan hours. For this final year of the three-year plan, Audit and Management Services updated its scoring of risk factors, considered industry risks, and performed interviews with stakeholders to determine whether operational changes or additional risks have occurred which would result in revisions to the work plan. The committee approved 2018 audit work plan for recommendation to the board.

### **Proposed FY 2018 University Ethics and Compliance Program Initiatives**

Ms. Jacqueline Kniska, Integrity and Compliance Officer, presented the proposed annual initiatives for the Integrity and Compliance Office the committee's approval. These initiatives provide assurances that the administration is addressing compliance requirements; ethical behaviors; and overall institutional integrity. The committee approved the compliance program initiatives for recommendation to the board.

### **Culture Survey Results**

Ms. Jacqueline Kniska shared the results of the 2017 Integrity and Compliance Culture Survey and data analysis. The survey focused on integrity (ethical) and compliance issues as well as awareness of available resources and willingness to report known or suspected misconduct. The Culture Survey report includes a full analysis of this year's data with benchmarking of data from the 2015 and 2012 surveys. Trends, patterns, or practices were highlighted during the presentation. This report is informational in nature to provide assurances that the workforce is aware of available resources and that the university has a dedicated office interested in their understanding of and comments related to ethical and compliance issues.

### **Data Governance Update**

Ms. Kathleen Shaw, Associate Vice Provost for Planning, provided an update on the Data and Information Management Council activities that included a discussion of the progress made by the four task forces: Standards and Policies, Data Stewardship, Issue Resolution, and Communications; technology infrastructure, and a new task group for data management strategy.

### **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. Worley, 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.

<b><u>Vote</u></b>	<b><u>Ayes</u></b>	<b><u>Nays</u></b>
Mr. Steve L. Worley, Chair	X	
Mr. Ronald McFarlane, Vice Chair	X	
Mr. Ben Dendy	X	
Dr. Robert Holsworth	X	
Mr. Keith Parker	X	
Dr. Carol Shapiro	X	

All members responding affirmatively, the motion was adopted.

### **ADJOURNMENT**

There being no further business Mr. Worley, Chair, adjourned the meeting at 9:08 a.m.