

**RISK MANAGEMENT, AUDIT & COMPLIANCE COMMITTEE OF THE BOARD OF TRUSTEES**  
North Carolina Agricultural and Technical State University  
Greensboro, NC

September 25, 2020

---

---

**MINUTES**

The Risk Management, Audit & Compliance Committee of the Board of Trustees convened on Friday, September 25, 2020 at 12:00 noon via Zoom. Mr. William Dudley called the meeting to order.

Roll Call revealed the following:

Present: Mr. William Dudley, Chair  
Ms. Venessa Harrison  
Judge Paul Jones

Others Present: Ms. Shannon Bennett, Assistant Secretary to the BOT  
Ms. LaShonna Frederick, Interim Internal Audit Director  
Ms. Erin Hill Hart, Chief of Staff  
Ms. Melissa J. Holloway, General Counsel  
Mr. Tom Jackson, VC for Information Technology Services/CIO  
Mr. Marcus Worsley, Recorder

Chairman Dudley acknowledged the absence of a quorum at the start of today's meeting. Hence, the approval of the minutes for the last meeting held February 28, 2020 was tabled to later on the agenda.

Mr. Dudley yielded the meeting to Ms. LaShonna Frederick for the Internal Audit Update.

**Internal Audit Update**

*Internal Assessment*

The Office of Internal Auditing (OIA) received a Quality Assessment Review in Spring 2019. A recommendation was made that the OIA perform annual self-assessments and report those results to management and the Risk Management, Audit & Compliance Committee. During the annual self-assessment, the OIA identified one successful audit practice and one process improvement opportunity.

*Dashboard – Summary of Internal Audit Activity for FY 2019-20 & Current Activity Period*

Ms. Frederick presented the dashboard of the summary of internal audit activity for FY 2019-20. There were twenty-eight projects planned for the year and five were added during the year, giving a total of thirty-three projects. Twenty projects were completed; seven projects are in process; two projects carried over to FY 2020-21; and four were deferred.

Ms. Frederick discussed the internal audit activity for the period February 1, 2020 to August 31, 2020. During that period, the OIA completed four audits and four investigations. These reports were distributed to the committee. There was one audit and three investigations in progress. Chairman Dudley asked how many referrals the OIA receives from the NC Office of the State Auditor during the course of one year. Ms. Frederick responded that the OIA received two referrals from the NC Office of the State Auditor during FY 2019-20. The average is one to two per fiscal year.

#### *FY 2020-21 Annual Audit Plan*

The FY 2020-21 annual audit plan was presented to the committee in detail. Judge Paul Jones made a motion to approve the FY 2020-21 annual audit plan. It was seconded by Ms. Harrison. The FY 2020-21 audit plan was approved.

A motion for the approval of the minutes of the meeting held on February 28, 2020 was offered by Ms. Venessa Harrison and seconded by Judge Jones. The motion was unanimously carried, and the minutes were approved.

Mr. Dudley thanked Ms. Frederick for the update and yielded the meeting over to Ms. Melissa Holloway, General Counsel, for the Enterprise Risk Management/Compliance Update.

#### **Compliance/Enterprise Risk Management Update**

Ms. Holloway shared with the committee that COVID-19 and related issues gave the university the opportunity to really test out the structure of our risk management plans. The university is always assessing risks to determine what can be put into place to mitigate them. Ms. Holloway discussed the strategic, operational, financial, compliance, and reputational risks related to the pandemic.

Ms. Holloway also presented to the committee the enterprise risk management principles that have helped the university work through the COVID-19 pandemic. There have been several types of risks identified during this period. The enterprise risk management framework for the pandemic response included three stages: triage, stabilize, and transform. There will be some longstanding benefits from the university utilizing this framework.

There were no questions, so Mr. Dudley thanked Ms. Holloway for the update and yielded the meeting over to Mr. Tom Jackson, Vice Chancellor for Information Technology Services/CIO, for the Information Security Update.

#### **Information Security Update**

Mr. Jackson presented the Information Security Report for FY 2020-21. The presentation included the information security requirements, information security assessments and results, information security roadmap, penetration testing, and the information security plans (FY 2018-19, FY 2019-20 and FY 2020-21). Mr. Jackson also discussed pandemic security issues and the audit preparation strategy. There is still work to be done around information security. There were no questions.

With no further business, Ms. Harrison made the motion to adjourn the meeting and it was seconded by Judge Jones. The meeting ended at 1:02 pm.

Recorded by:

*LaShonna Frederick*