

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

November 12, 2021

MINUTES

The Risk Management, Audit & Compliance Committee of the Board of Trustees (BOT) convened on Friday, November 12, 2021 at 12:04 pm. The meeting was held via Zoom. Chair William Dudley called the meeting to order and reminded all members of the committee that the meeting would be conducted pursuant to the amendments to the Open Meetings Act, which establishes that all votes be taken by roll-call vote. The Chair also advised committee members that all chats, instant messages, texts, and other written communication between members of the BOT regarding public business during a remote meeting are deemed public record.

Chair Dudley asked the committee members to read the conflict of interest statement and reminded them of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of such. The Chair asked the Committee members if there were any conflicts or appearances of conflicts of interest and there were none noted.

Roll Call revealed the following:

Present: Mr. Mark Copeland
 Mr. William Dudley, Chair
 Ms. Venessa Harrison
 Mr. Verdant Julius

Others Present: Chief Jermaine Cherry, AVC for Police & Public Safety
 Ms. Sheena Cobrand, Deputy General Counsel
 Ms. LaShonna Frederick, Recorder
 Ms. Erin Hart, Chief of Staff
 Ms. Melissa J. Holloway, General Counsel & VC for DLARC
 Mr. Tom Jackson, VC for Information Technology Services/CIO
 Ms. Hilda Pinnix Ragland, BOT Chair
 Ms. Mindy Sanders, Director of Internal Auditing
 Mr. Marcus Worsley, Auditor

The committee members present constituted a quorum.

Chair Dudley called for a motion to approve the minutes of the meeting held on September 24, 2021. The motion was offered by Ms. Venessa Harrison and seconded by Mr. Mark Copeland. The motion was unanimously carried, and the minutes were approved by roll call vote.

Chair Dudley yielded the meeting to Ms. Mindy Sanders, Director of Internal Auditing, for the Internal Audit Update.

Internal Audit Update

Internal Audit Overview

Ms. Mindy Sanders provided a high-level overview of the Office of Internal Auditing (OIA). She discussed the role and purpose of the OIA; the organizational structure; adherence to the IIA mandatory guidance; the independence, objectivity and responsibility of the OIA; the audit process; the quality assurance and improvement program; and the university hotline.

Dashboard – Internal Audit Activity

The internal audit activity period is September 1, 2021 to October 31, 2021. The OIA completed one audit and two investigations during the period. All audit reports were sent to the committee members. The OIA has two audits and five investigations in progress.

Mr. Copeland asked whether a staff of three was enough and how does the staff size compare with the other universities in the UNC System. Ms. Sanders responded that some universities have one person shops. If the OIA could get an IS Auditor on board, it would help out tremendously. There have been discussions with senior management about adding audit staff. The OIA is working diligently to address the risks and issues that we are aware of, but anytime that we can get more staff, we would take advantage of that. BOT Chair Hilda Pinnix Ragland asked about the outsourcing of internal audit when the need comes about, such as for the IT component. Ms. Sanders responded that one of the current auditors is filling the role of the IS Auditor now. The OIA is addressing risks associated with information technology and has considered outsourcing certain components.

There were no comments or questions, so Chair Dudley thanked Ms. Sanders for the update and yielded the meeting over to Ms. Melissa Holloway, General Counsel and Vice Chancellor for Legal Affairs, Risk, and Compliance for the Compliance Update.

Compliance/Annual Security Report Update

Ms. Holloway presented the Biden Administration Federal Contractor Vaccine mandate and the impact of the mandate on the university. She provided an overview of the executive order, including coverage and when employers have to comply. Ms. Holloway also discussed the university's next steps and the timeline for evaluating and ensuring compliance with the mandate.

Next, University Police Department (UPD) Chief Jermaine Cherry presented on the Annual Security Report (ASR). The ASR, which is due by October 1st of each year, contains three consecutive years of crime statistics for the university. Chief Cherry discussed the Clery geography, reportable offenses, factors that impact the number of crimes, and UPD initiatives moving forward.

There were no questions. Chair Dudley thanked Ms. Holloway and Chief Cherry for the updates and yielded the meeting to Mr. Tom Jackson, Vice Chancellor for Information Technology Services/CIO, for the Information Technology update.

Information Technology Update

Mr. Tom Jackson discussed the Banner Document Management Audit performed by the OIA and the corrective actions being put in place for the audit findings noted. Mr. Jackson also discussed Enterprise Endpoint Management and PCI Data Security Standard remediation.

After there were no comments or questions, Chair Dudley reminded the committee that the closed session would be via phone and that they would need to dial-in with the information provided. Ms. Holloway read the language for closed session, so that Mr. Jackson could discuss the Information Technology General Controls audit and Cyber Liability Insurance Remediation. Mr. Copeland made a motion to go into closed session and Ms. Harrison seconded.

Following the discussion, Chair Dudley called for a motion to return to open session and reminded the committee to return to the meeting afterwards. Mr. Copeland made the motion and it was seconded by Ms. Harrison.

The committee returned to open session via Zoom. With no further business, Chair Dudley called for a motion to adjourn the meeting. Mr. Verdant Julius made the motion. It was seconded by Ms. Harrison and approved by roll call vote.

The meeting was adjourned at 1:18 pm.

Respectfully Submitted by:

LaShonna Frederick