
The Audit, Compliance, and Human Resources Committee of the Board of Visitors of Old Dominion University met on Thursday, April 18, 2024-

P. Murry Pitts (*ex-officio*)
Andrew Hodge
Elza Mitchum
Steve Hsiung (*Faculty Representative*)

Also present from the Board:

Jerri Dickseski
Dennis Ellmer
Kay Kemper (*via Zoom*)
Rudy Middleton
Rick Wyatt
Keshav Vermani (*Student Representative*)

Also present were:

Brian O. Hemphill, President
Ashleigh Boothe
Alonzo Brandon
Lauren Eady
Ken Fridley
Annie Gibson
Nina Rodriguez Gonser
Sarah Hanson
Jaime Hunt
Brandi Hephner LaBanc
Stephanie Jennelle
Maggie Libby
Donna Meeks

Alicia Monroe
Trip Morrison
Brian Payne
Chad Reed
Tina Russell
September Sanderlin
Ashley Schumaker
Amanda Skaggs
Rob Wells
JaRenae Whitehead
Allen Wilson
Glenn Wilson

_____ Chairman Robert S. Corn, called the meeting to order at 10:00 a.m.

_____ Upon a motion made by committee Chairman Corn and duly seconded, the minutes of the Audit, Compliance, and Human Resources Committee meeting held on November 30, 2023, as presented were approved by all members present and voting (*Corn, Mugler, Bradley, Pitts, Hodge, Mitchum*).

_____ Ms. Amanda Skaggs, Chief Audit Executive, presented the University Audit Department report.

- A. Announcements and Introductions – Ms. Skaggs announced the creation of the University Compliance Department and introduced the staff members of both the University Audit Department and the University Compliance Department. The compliance program will promote awareness of compliance risks and responsibilities, increase communication and coordination across various compliance functions, and continue to promote a university-wide culture of compliance. The overarching program goals in the Compliance Program Strategic plan include:
- i. Building a university-wide compliance program that fosters a culture of compliance awareness, adherence and collaboration in which roles and responsibilities are formally established, communicated and understood.
 - ii. Effectively manage compliance risks through prevention and early detection by developing program standards that align with the U.S. Federal Sentencing Guidelines (Standards of Conduct and Policies, Oversight, Communication and Training, Monitoring and Auditing, Reporting and Investigation, Enforcement and Discipline and Response and Prevention).
 - iii. Maintain an effective compliance program by evaluating for continuous

Benchmarking was conducted with ODU's peer institutions, and it was discovered that most were utilizing a rating system based on a 3–5-point decision model. The Audit Department also conducted several brainstorming sessions which lead to a new audit findings and rating system that will be implemented in the new fiscal year. The new audit rating system framework will consist of: ineffective, partially effective, effective, and highly effective. The new audit finding system will consist of major, substantial, moderate, and minor.

The new audit rating and finding system will be implemented in the new fiscal year and will be in support of the new IIA standards that are required to be implemented by January 2025 that have several references to ratings and rankings:

- Auditors must evaluate findings to determine its significance by considering the likelihood of the risk occurring and the impact the risk may have.
- Internal auditors must prioritize each engagement finding based on its significance, using methodologies established by the chief audit executive.
- The engagement conclusion must summarize the internal auditor's professional judgment about the overall significance of the aggregated engagement findings.
- The final communication for assurance engagements also must include: The findings and the ratings, rankings, or other indication of the significance of the findings.

- D. Presentation of Completed Audit Reports – Ms. Amanda Skaggs presented the completed audit reports to the Committee.
- i. Police Department Fiscal Activities FY2023 – Ms. Skaggs presented the Police Department FY2023 report to the Committee. The engagement included the review of the following: expenses, small purchase charge card (PCARD), travel expenses, budget management, budget account signature authority, fixed assets, department policies and procedures, and Web Time Entry (WTE) approvals. Internal controls were found to be operating as expected and no reportable conditions were noted.
 - ii. Office of the President FY2023 Expenditures – Ms. Skaggs presented the Office of the President FY2023 report. The engagement included a review of the following: Web Time Entry (WTE) approvals, personnel costs, memberships, travel, entertainment in connection with university functions, other general expenses, use of small purchase charge cards (PCARD), and budget management and authority. Internal controls in effect for expenditures were found to be strong during the review period. Based on testing, expenditures and other transactions of the Office of the President were reasonable and appropriate.
 - iii. Activity and Status of Open Audit Issues Since November 2023 – Ms. Skaggs reported that there were 25 open action items in the November report with 8 new action items added with the release of the Housing and Residence Life Audit Report. Of the 33 open action items, it was reported that 9 are now complete, 21 items in progress, and 3 are planned.

E. Discussion of Open Audit Projects

- i. Athletic Business Office- Fieldwork
- ii. Enterprise Data Storage and Recovery-Survey
- iii. College of Engineering and Technology -Survey
- iv. Student Financial Aid -Survey
- v. Onboarding Processes (Classified and AP Faculty) -Survey
- vi. Provisioning of Affiliate Access - Planning
- vii. Special Projects and Other Activities – An external quality assurance review is currently being conducted by Richard Tarr and will be completed by the end of July. Mr. Tarr as part of his review will interview select Audit, Compliance and Human Resources committee members and other Board members.

_____ – Vice Chair Ross A. Mugler moved that this meeting be recessed in Closed Session to discuss the performance of specific departments where such evaluation will necessarily involve discussion of the performance of specific individuals as permitted by the Code of Virginia section 2.2-3711(A), subsection (1). The motion was duly seconded and approved by all members present and voting (*Corn, Mugler, Bradley, Pitts, Hodge, Mitchum*).

In addition to the Committee members in attendance, the following individuals were in attendance during the closed session: President Hemphill, Vice President Reed, Vice President Hephner LaBanc, VP Hunt, VP Fridley, VP Brandon, VP Sanderlin, Ms.fas,

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minimum salary threshold to \$105,988 and for highly compensated employees the salary threshold is \$143,988. The proposal also includes updates every three years. The 60-day comment period started November 7, 2023, and if it passes, the anticipated timeframe is July 2024. The financial implications of estimated costs to bring all impacted positions to the new salary threshold of \$55,068/\$60,209 would be approximately \$800,000, this could also be higher if the final rule that passes is based on the recent wage data. There are also overtime implications for employees who would remain non-exempt. VP Sanderlin also discussed Senior Leader Impact Analysis in which leadership would review workforce to determine which positions fall near or below the proposed salary levels and the anticipated final rule salary levels. Leadership will then need to determine a strategy for each impacted position. VP Sanderlin shared with the Committee that she plans to stay abreast of the status of the proposed rule, work with senior leaders to prepare for any changes, develop communication strategy, trainings and review and prepare to update any relevant policies and procedures.

- B. Campus Climate Follow Up – VP Sanderlin provided a status update on Campus Climate Initiatives, which consists of Exit Interviews, Stay Interviews, Supervisor Forums, Recognition Committee, and Enhanced Employee Training Initiatives. The following key themes were discussed in detail: Supervisor support, Organizational Development (c)4 (og9h)tail lc 0.004 Tw T4(us)9 pTw (C)ln (og9h)ts o(om)-8og9hk wwn 0 Twng k DeC Tc -0.003 Tw 12 0 0 12 108 501.84 Tm(B.)Tj/TT2 1 TTc 0.0 0 Td()Tj/TT3nal weromTtae,

appointments. The appointments will be reviewed for approval at the full board meeting on Friday, April 19, 2024.

_____ - There being no further business, the meeting adjourned at 10:57 a.m.