

COMMITTEE ON AUDIT AND COMPLIANCE  
November 21, 2013  
8:30 – 10:00 a.m.  
Board Conference Room - Blow Memorial Hall

John Charles Thomas, Chair  
Leigh A. Pence, Vice Chair

- I. Introductory Remarks - Mr. Thomas
- II. Approval of Minutes – September 25, 2013
- III. Closed Session (if necessary)
- IV. Report from Chief Compliance Officer – Kiersten L. Boyce
- V. Report from Director of Internal Audit - Michael L. Stump
  - A. Report of Internal Audit Activity Since September 19, 2013 - Enclosure C.
  - B. Approval of 2014 Internal Audit Work Plan – **Resolution 2**.
- VI. Report from the Vice President for Administration – Anna B. Martin
- VII. Report from Vice President for Finance – Samuel E. Jones
- VIII. Discussion
- IX. Adjourn

COMMITTEE ON AUDIT AND COMPLIANCE

MINUTES – SEPTEMBER 25, 2013

**MINUTES**  
**Committee on Audit and Compliance**  
**September 25, 2013**  
**Board Conference Room - Blow Memorial Hall**

Attendees: John Charles Thomas, Chair; Leigh A. Pence, Vice Chair; and Ann Green Baise. Board members present: Todd A. Stottlemeyer, Rector; Charles A. Banks, III; Lynn M. Dillon; and DeRonda M. Short; Others present: Debbie L. Sydow, President of Richard Bland College; Kiersten L. Boyce; Courtney M. Carpenter; Donald R. Challis; Ariel Cohen; William E. Cook; Michael R. Halleran; Samuel E. Jones; Jennifer B. Latour; Deborah A. Love; Anna B. Martin; Pamela H. Mason; Sarah E. Melchior; Annette S. Parker; Michael L. Stump; and Brian W. Whitson.

Chair John Charles Thomas called the meeting to order at 3:30 p.m. Recognizing that a quorum was present, Mr. Thomas moved approval of the minutes of the April 18, 2013, meeting. Motion was seconded by Ms. Pence and approved by voice vote.

Mr. Thomas introduced Mr. Stump, Ms. Boyce, Ms. Martin, and Mr. Jones to the Committee and asked them to summarize their responsibilities with respect to the Committee. Mr. Stump briefly discussed the internal audit function, which covers the College of William and Mary, Virginia Institute of Marine Science, and Richard Bland College. He emphasized that Internal Audit reports to the Audit and Compliance Committee and briefly discussed the mission and work of the Office. Ms. Boyce, the College's Chief Compliance Officer, described her office and its mission. Ms. Martin discussed, in general terms, the College's safety and security functions and introduced the William and Mary Police Chief, Don Challis, to the Committee. Mr. Jones distributed a summary of the risk management function and discussed, in general terms, the College's safety, financial, legal, and reputational risks. Mr. Thomas informed the Committee that Ms. Martin and Mr. Jones will provide formal reports at the meeting in November.

Mr. Thomas asked Mr. Stump for his report. Mr. Stump briefed the Committee about the 13 completed projects and 8 projects in process documented in Enclosure C.

Mr. Thomas asked Ms. Boyce for her report. Ms. Boyce provided an overview of the Office of Compliance and Policy, including the office staff and the services offered. The Deputy Compliance Officer, Pamela Mason, formerly of the Athletics Department, was introduced. The Chief Compliance Officer gave a slide presentation about compliance and higher education, based on a recent article in the Association of Governing Board's Trusteeship magazine.

Mr. Thomas moved that the Committee on Audit and Compliance of the Board of Visitors of the College of William and Mary convene in closed session for the purpose of discussing personnel matters pertaining to specific personnel, and briefings by legal counsel or staff members pertaining to specific legal matters, as provided for in Section 2.2-3711.A.1. and 7., of the Code of Virginia. Motion was seconded by Ms. Pence and approved by voice vote. Observers were asked to leave the room and the Committee went into closed session at 4:05 p.m. The Committee went into Executive Session at 4:42 p.m.

Committee on Audit and Compliance

MINUTES

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The Committee reconvened in open session at 4:53 p.m. Mr. Thomas reviewed the topics discussed in the closed session and moved the adoption of the **Resolution** certifying the closed session was held in accordance with the Freedom of Information Act. Motion was seconded by Ms. Pence and approved by roll call vote conducted by Mr. Jones. (Certification **Resolution** is appended.)

There being no further business, the Committee adjourned at 4:54 p.m.

September 25, 2013

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Audit and Compliance has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Committee on Audit and Compliance, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Committee on Audit.

VOTE

AYES:

4

NAYS:

0

ABSENT DURING CLOSED SESSION:



John Charles Thomas

Chair

Committee on Audit and Compliance

COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE  
REPORT OF INTERNAL AUDIT ACTIVITY SINCE SEPTEMBER 19, 2013

| <u>Projects</u>       | <u>Completion Date</u> |
|-----------------------|------------------------|
| • School of Education | September 4            |
| • Hotline – VIMS *    | October 3              |

| <u>Projects in process</u>  | <u>Estimated Completion Date</u> |
|---|----------------------------------|
| • Accounts Receivable – management request                          | Dec 2013                         |
| • Assist Auditor of Public Accounts *                               | Ongoing                          |
| • Auxiliary Services Express Card Reconciliation                    | Dec 2013                         |
| • Board of Visitors resolution compilation and analysis *           | Ongoing                          |
| • Centralized billing and VA benefits – management request *        | Ongoing                          |
| • EVMS financial evaluation   | Ongoing                          |
| • President's Business Innovation Committee – President's request * | Ongoing                          |
| • Risk Management Steering Committee – management request*          | Ongoing                          |
| • Small Purchase Charge Card Program *                              | Ongoing                          |
| • VIMS/SMS Vessel Operations – management request *                 | Dec 2013                         |

Note: \* Specific Annual Work Plan projects

COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE  
APPROVAL OF 2014 INTERNAL AUDIT WORK PLAN

As provided in the Office of Internal Audit Charter, the Director is responsible for preparing comprehensive work plans based upon his judgment and a risk assessment model.

The proposed 2014 Work Plan for the Office of Internal Audit includes the following areas; items *italicized* are management requests:

- Auditor of Public Accounts support\*
- Board of Visitors resolution/policy compilation and review\*
- Centralized billing and VA benefits\*
- EVMS\*
- *Fair Labor Standards Act (FLSA) Compliance - VP Martin*
- Fraud, Waste and Abuse Hotline; internal hotline and investigations\*
- *Muscarella Museum - Provost's request*
- Personnel hiring and evaluation committees\*
- President's Business Innovation Committee\*
- Related foundations\*
- *RBC - management projects - President's request – deferred*
- RBC - President's expense reimbursement - employment agreement (p3, F, 2) – APA will conduct audit
- Risk Management Committee\*
- Small purchase cards\*
- *Tribe Computer Store - management request*
- William and Mary Police Department - assist investigations\*
- *Additional requests from the Board and management*

\*Ongoing projects

The 2014 Work Plan has been reviewed by the Committee on Audit and Compliance and management of the College of William and Mary and Richard Bland College, and is hereby recommended to the Board of Visitors.

THEREFORE, BE IT RESOLVED, That the 2014 Work Plan for the Office of Internal Audit is approved by the Board of Visitors.