

COMMITTEE ON AUDIT, RISK AND COMPLIANCE

November 15, 2018

4:15 – 5:30 p.m.

Board Room - Blow Memorial Hall

Brian P. Woolfolk, Chair

Barbara L. Johnson, Vice Chair

- I. Introductory Remarks – Mr. Woolfolk
- II. Approval of Minutes – September 27, 2018
- III. Report from Interim Chief Compliance Officer – Pamela H. Mason
- IV. Report from Director of Internal Audit – Kent B. Erdahl
 - A. Approval of 2019 Internal Audit Work Plan- **Resolution 8**.
- V. Closed Session (if necessary)
- VI. Discussion
- VII. Adjourn

**COMMITTEE ON AUDIT, RISK AND COMPLIANCE
MINUTES – SEPTEMBER 27, 2018**

MINUTES
Committee on Audit, Risk and Compliance
September 27, 2018
Board Room—Blow Memorial Hall

Attendees: Brian P. Woolfolk, Chair; Barbara L. Johnson, Vice Chair; Mirza Baig, Victor K. Branch, William H. Payne II, J.E. Lincoln Saunders. Board members present: Rector John E. Littel, faculty representative to the Board of Visitors Catherine A. Forestell, and W&M staff liaison Jennifer C. Fox. Others present: President Katherine A. Rowe, Provost Michael R. Halleran, Virginia M. Ambler, Kent B. Erdahl, Deborah Cheesebro, Kate Conley, Paul Edwards, Michael J. Fox, Samuel E. Jones, J. Tyler Hart, Kenneth LaTessa, Deborah A. Love, Pamela H. Mason, Amy Sebring, Brian Whitson, Sandra J. Wilms, Senior Assistant Attorney General Carrie S. Nee, and others.

Mr. Woolfolk called the meeting to order at 2:00 p.m.

Recognizing that a quorum was present, Mr. Woolfolk asked for a motion to approve the minutes of the meeting of April 20, 2018. Motion was made by Ms. Johnson, seconded by Mr. Payne and approved by a voice vote.

Mr. Woolfolk asked Director of Internal Audit, Kent Erdahl for his report. Mr. Erdahl introduced Paul Edwards, Chief Business Officer for Richard Bland College. Mr. Erdahl provided a report on recently completed audits.

A Department of Accounts Quality Assurance review identified ARMICS as a Richard Bland College improvement opportunity. Internal Audit was asked to establish an ARMICS framework at Richard Bland College. Mr. Erdahl explained the ARMICS testing process and described that the ARMICS framework was developed to aid in a smooth transition to Richard land College personnel. In September the ARMICS work was transitioned to Richard Bland College for their ownership going forward. Internal control gaps were identified, which provide a corrective action roadmap.

Mr. Erdahl provided a status update on the 2018 audit work plan. Due to an early Internal Audit staff retirement, and due to the addition of the Richard Bland College ARMICS testing and a Muscarelle Foundation project, the approved audit plan will not be fully completed this year. Audits not completed in 2018 will be considered for inclusion in the 2019 plan. Mr. Woolfolk inquired if the staffing void and added projects have caused high risk audit activities to go unaddressed. Mr. Erdahl indicated that Internal Audit is regularly considering risk and allocating audit resources to address. Higher risk or time sensitive audit work has been, or is currently, being addressed. Mr. Erdahl described the follow-up process and presented a follow-up tracking scorecard. A brief discussion ensued.

Mr. Woolfolk asked the Interim Chief Compliance Officer, Pamela Mason for her report. Ms. Mason presented FY 2018 data on all reports received by the Compliance & Equity Office, including analysis by type of complaint, and a four year comparison of Title IX/VAWA data. A

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recent trend of an increase in specific areas of Title IX were noted. Issues of how to encourage reports by making it easier to file and more education for community members on all types of misconduct were addressed. Ms. Mason gave a brief update on the status of staffing in the Compliance & Equity Office.

Mr. Woolfolk moved that the Committee on Audit, Risk and Compliance of the Board of Visitors of the College of William & Mary convene in executive session for the purpose of discussing specific personnel matters, and to discuss internal investigations, which discussion will include discussion of personnel matters including performance or discipline of specific employees and which will involve the disclosure of information contained in a scholastic record of one or more students, and for consultation with legal counsel regarding specific legal matters, as provided for in Section 2.2.-3711.A.1.,2. and 7, of the Code of Virginia. Motion was seconded by Ms. Johnson and approved by voice vote of the Committee. Observers were asked to leave the room and the Committee went into executive session at 2:40 p.m.

The Committee reconvened in open session at 3:32 p.m. Mr. Woolfolk reviewed the topics discussed in closed session and moved the adoption of the **Resolution** certifying that the closed session was held in accordance with the Freedom of Information Act. Motion was seconded by Mr. Payne and approved by roll call vote conducted by Executive Liaison to the Board Sandra Wilms. (Certification **Resolution** is appended.)

There being no further business, the Committee adjourned at 3:33 p.m.

September 27, 2018

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Audit, Risk 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;

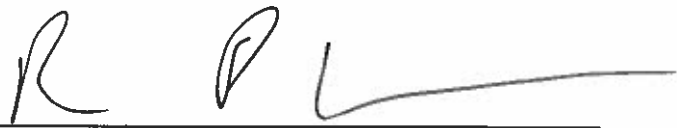
NOW, THEREFORE, BE IT RESOLVED, That the Committee on Audit, Risk and Compliance, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed 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, Risk and Compliance.

VOTE

AYES: 6

NAYS: 0

ABSENT DURING CLOSED SESSION:



Brian P. Woolfolk
Chair
Committee on Audit, Risk and Compliance

COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE
APPROVAL OF 2019 INTERNAL AUDIT WORK PLAN

As provided in the Office of Internal Audit Charter, the Director is responsible for preparing an annual risk-based work plan.

The proposed 2019 Work Plan for the Office of Internal Audit includes the following audits:

- Foundation compliance evaluation
- Financial Aid audit
- Sponsored Programs audit
- Office of the Provost audit
- International travel audit
- Minors on campus audit
- Volunteers on campus process review/evaluation
- Richard Bland College accounting supporting documentation review
- Richard Bland College corrective action plan monitoring/consultation
- America To Go procurement process review

Recurring Audit Activities:

- Periodic small purchase charge card monitoring
- Commonwealth Fraud, Waste and Abuse Hotline Investigations

The 2019 Work Plan has been reviewed by the Committee on Audit, Risk 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 2019 Work Plan for the Office of Internal Audit is approved by the Board of Visitors.