



WILLIAM & MARY

CHARTERED 1693

BOARD OF VISITORS
COMMITTEE ON AUDIT, RISK AND COMPLIANCE
DRAFT MINUTES
SEPTEMBER 26, 2024
DOGWOOD ROOM – SCHOOL OF EDUCATION

COMMITTEE MEMBERS PRESENT

Mr. Stephen J. Huebner, Chair
Mr. Courtney M. Malveaux, Vice Chair

Mr. J.E. Lincoln Saunders
Ms. Ardine Williams

OTHER BOARD MEMBERS PRESENT

Mr. Robey W. Estes, Jr.
Ms. Barbara L. Johnson

Mr. John P. Rathbone

OTHERS PRESENT

Dr. Katherine A. Rowe, President
Ms. Carrie Nee, University Counsel
Dr. Virginia M. Ambler, Senior Vice President for Student Affairs
Mr. Ed Aractingi, Chief Information Officer
Mr. Kent Erdahl, Director of Internal Audit
Mr. Sean Hughes, Associate Vice President for Business Affairs
Ms. Tawanda Johnson, Chief Human Resources Officer
Mr. Brian Mann, Athletics Director
Ms. Pamela Mason, Chief Compliance Officer/FOIA Officer
Dr. Suzanne Raitt, Dean for the Faculty of Arts & Sciences
Mr. Mike Todd, Executive Vice President for Finance and Administration
Ms. Stacey Sokol, Chief Business Officer, Richard Bland College
Mr. Eric Kondzielawa, Chief Operating Officer, Richard Bland College
Mr. Michael J. Fox, Secretary to the Board of Visitors
Members of the President's Cabinet
William & Mary Staff, Faculty and Students

INTRODUCTORY REMARKS

Mr. Stephen J. Huebner, Chair, called the meeting to order at 3:15 p.m., recognized Committee and Board members present, and gave a brief overview of the agenda.

APPROVAL OF MINUTES

Recognizing that a quorum was present, Mr. Huebner asked for a motion to approve the minutes of the April 25, 2024, meeting. The motion was made by Mr. J.E. Lincoln Saunders, seconded by Ms. Ardine Williams and approved by voice vote.

DIRECTOR OF INTERNAL AUDIT REPORT

Mr. Kent Erdahl, Director of Internal Audit, provided his report beginning with the recently completed Facilities audit. Mr. Erdahl described the scope of the Facilities operation which includes 220 buildings spread over 1,100 acres. Facilities impact every student, faculty and staff, and is the backbone

operation of William & Mary. Audit recommendations included establishing work guidelines and providing management with reporting tools to enhance oversight, implementing a time keeping system to add precision to work order charging, and bringing certain third-party work in-house to generate efficiencies. Business Affairs oversees Facilities and Mr. Erdahl reported an emphasis on using data to improve Facilities operations and noted a strong Business Affairs support team to help promote change. Mr. Huebner inquired about Facilities corrective action and a brief discussion ensued involving Mr. Sean Hughes, Associate Vice President for Business Affairs.

Mr. Erdahl reported on an Arts & Sciences audit that focused on the Dean's Office operations. An opportunity to create a spending hierarchy was identified and management will develop a spending policy and will monitor for compliance. Mr. Erdahl thanked Dr. Suzanne Raitt, Dean of the Faculty of Arts & Sciences, and Senior Associate Dean of Finance and Administration, Mr. Tarikul Islam, for their support over back-to-back Arts & Sciences internal audits.

Mr. Erdahl noted that in August, Mao Fan, Staff Auditor, joined the Office of Internal Audit which brings the department to a fully staffed level.

Mr. Erdahl provided an audit work plan status report and noted five completed audits, two in-process audits, two audits that are planned for later this year, and one deferred audit. He said that Internal Audit would facilitate Workday implementation testing which was not part of the 2024 work plan. He also reported that the Institute of Internal Auditors has issued significant changes to the operating framework that governs the internal audit industry. The Office of Internal Audit is currently evaluating the impact of the new guidance.

Baker Tilly has been engaged to perform three Workday implementation point-in-time assessments. These independent assessments will help identify risks to successful implementation. The first assessment relates to readiness and planning and the results will be presented to the Committee in November.

Mr. Erdahl presented a Follow-up Scorecard and Ms. Williams inquired about some of the aged audits that have not achieved full remediation. Mr. Erdahl acknowledged that these are well past due and will work with management to develop an expedited timetable for remediation.

YOUTH CAMPS COMPLIANCE REPORT

Ms. Pamela Mason, Chief Compliance Officer/FOIA Officer, briefed the Committee on the Youth Program policy compliance from 2024 including the risk mitigation practices, success of registered programs and identified areas to address for 2025. Ms. Mason's office is going to audit three programs from this year and incorporate scenario-based training for program supervisors in the future.

Mr. Courtney M. Malveaux suggested conducting an audit of all 48 registered programs, requiring training for all camp staff by the program supervisors, and providing anonymous reporting options for participants and employees. Ms. Mason confirmed that training for all camp staff is going to be required in 2025.

HIGHER EDUCATION ENVIRONMENT REPORT

Dr. Katherine A. Rowe, President of William & Mary, reported on higher education as a sector, noting a decline in both national trust and reputation. President Rowe indicated that the Cabinet continues to evaluate William & Mary strengths and opportunities to combat risks. For example, providing the Better Arguments curriculum to faculty and staff this summer to better engage in conflict and difficult topics. President Rowe emphasized the importance of identifying anchor points that define William & Mary, such as recent improvements in student access. Securing national preeminence will be achieved by leading and not being defined by national trends.

CLOSED SESSION

Ms. Williams moved that the Committee on Audit, Risk and Compliance convene into closed session pursuant to Va. Code §2.2-3711.A.8 for consultation with legal counsel regarding litigation risks and regulatory compliance; Va. Code § 2.2-3711.A.19 for discussion of plans to address specific cybersecurity threats and vulnerabilities and actions taken by IT staff to respond to such threats; and Va. Code §2.2-3711.A.19 to discuss plans to protect public safety related to the security of any governmental facility or the safety of persons using such facilities specifically for 2024-25 academic year. The motion was seconded by Mr. Huebner and approved by roll call vote – 4-0 – conducted by Mr. Michael J. Fox, Secretary to the Board of Visitors.

At that time members of the Committee and Board, President, University Counsel, members of the Executive Leadership Team, Chief Information Officer, Internal Auditor, Chief Compliance Officer/FOIA Officer, RBC Chief Business Officer, and RBC Chief Operating Officer entered the closed session meeting at 3:58 p.m.

RECONVENED OPEN SESSION

Following the closed session, the Committee returned to open session at 4:29 p.m. Ms. Williams moved that the Committee certify by roll call vote that, to the best of each member's knowledge, only matters lawfully exempted from the open meeting requirements under the Freedom of Information Act were discussed, and only matters identified in the motion to have the closed session were discussed. Motion was seconded by Mr. Huebner and approved by roll call vote – 4-0 – conducted by Mr. Fox.

ADJOURNMENT

There being no further business, Mr. Huebner adjourned the meeting at 4:30 p.m.