1. **Call to Order/Establish Quorum**

Dr. Harold L. Watkins II, Chair, called the Audit, Risk, and Compliance Committee meeting to order at approximately 8:36 a.m. A quorum was established with a 4-0 roll call.

Committee Members
Dr. Harold L. Watkins II, Chair
Mr. Dwayne B. Blake
Mr. Gilbert T. Bland
Mr. Conrad Hall

Virtual Participation
The Honorable James W. Dyke, Jr.
Mr. BK Fulton

Counsel Present
Ms. Pamela F. Boston, University Counsel and Senior Assistant Attorney General

NSU Administrators and Staff
Dr. Javaune Adams-Gaston, President
Dr. Tanya S. White, Chief of Staff
Mrs. Derika L. Burgess, Chief Audit Executive
Dr. Dawn Hess, Chief Compliance Officer
Dr. Leonard E. Brown Jr., Vice President for Student Affairs
Dr. DoVeanna S. Fulton, Provost and Vice President for Academic Affairs
Dr. Gerald Ellsworth Hunter, Vice President/Chief Financial Officer, Finance and
    Administration
Dr. Justin L. Moses, Vice President for Operations and Institutional Effectiveness
Mr. Clifford Porter, Vice President for University Advancement
Ms. Melody Webb, Athletics Director
Dr. Aurelia T. Williams, Senior Vice Provost for Academic and Faculty Affairs
CP Brian K. Covington, NSUPD
Mr. Cornelius Graves, Research Innovation Foundation
Mr. Terry G. Woodhouse, Acting Associate Vice President of Facilities Management
Mr. Rasool Shabazz, Office of Information Technology
Ms. She're S. Dozier, Clerk to the University President/Liaison to the Board of Visitors
Ms. Phillita Peeples, Audit and Compliance Administrative Assistant

2. **Recommend Approval of Electronic Participation**

    The Committee unanimously approved the electronic participation for The Honorable James W. Dyke Jr. with a 4-0 roll call vote. The motion was made by Mr. Conrad Hall and seconded by Mr. Dwayne B. Blake.

3. **Approval of the Minutes**

    Mr. Bland motioned, Mr. Hall seconded, and the Committee unanimously approved the Audit, Risk, and Compliance Committee information session minutes for September 12, 2023.

4. **Recommend Approval of Electronic Participation**

    The Committee unanimously approved the electronic participation for BK. Fulton with a 5-0 roll call vote. The motion was made by The Honorable James W. Dyke Jr. and seconded by Mr. Conrad Hall.

5. **Discussion Items**

    Internal Audit

    Chief Audit Executive Burgess elaborated on the development of an audit report. The process embodies 4 stages: Planning, Assessment, Reporting, and Follow-up.

    Audit Reporting Process
    - **Planning** – meet with auditees to confer and concur on solutions.
        o Scope
        o Objectives
        o Opening Meetings

- **Assessment** - observe staff perform said activity and analyze documents created during the process to identify any vulnerable areas.
    - o Fieldwork
    - o Testing
    - o Evaluation

- **Reporting** – Test steps are developed, and the results are then released creating an audit report. The comprehensive report documents findings, ratings, recommendations to correct findings, as well as actions provided by management which are known as corrective actions.
    - o Findings
    - o Recommendations
    - o Corrective Actions

- **Follow-Up** - A review of how effective audit findings are being addressed.
    - o Communication
    - o Acknowledgments
    - o Verifications

Ratings - The findings are evaluated by a 3 ratings system: MRIA, MRA or obs. These ratings serve as a quick guide so management may focus on what needs their most immediate attention.

- **MRIA** (**Matters Require Immediate Attention**)
    - o Lack of internal controls or processes leads to a <u>high</u> probability that the organization or department will not reach its goals.
    - o MRIA ratings should be corrected in 30 days.

- **MRA** (**Matters Require Attention**)
    - o Lack of internal controls may lead to a <u>moderate</u> probability that the organization or department will not reach its goals.
    - o MRA ratings should be corrected in 60 days.

- **Obs** (**Observation**)
    - o Improvements or enhancements may strengthen internal controls and the control environment.
    - o Observations should be corrected in 90 days.

Since 2021, there have been a total of 71 audit findings. Within the same time frame, the most immediate need for correction-MRIA, over half of the findings have been addressed, completed, and closed out. As an institution, we want to do more than simply remove pain points in a process, we want to build programs that bring consistency.

Corrective Action Updates

2021-2023 Action Plans

- **MRIA findings**
  - Open - 30
  - Closed - 34
- **MRA findings**
  - Open - 3
  - Closed - 2
- **Obs findings**
  - Open - 0
  - Closed – 2

Student Payments: Challenges and Opportunities

A variety of departments play a role in ensuring that graduate student payments are processed timely at the start of each semester. The HR1 form and graduate research stipend both are filtered through 10 different areas before compensation. This modus operandi presents many challenges but also opportunities for process improvement.

- **Challenge**: Inefficient processes
  - *Opportunity*: Require stakeholders to commit and adhere to a strict 6-week timeline. Placing restraints opens opportunities to monitor the process and identify greater efficiencies.
- **Challenge**: Staff resources
  - *Opportunity*: Add stipends to the existing automated HR1 process in the interim while exploring a permanent solution.
- **Challenge**: Inaccurate forms
  - *Opportunity*: Create a user guide and provide training to reduce errors and inaccuracies.
- **Challenge**: Incomplete forms
  - *Opportunity*: Create a manual and provide training for users to reduce errors and inaccuracies.
- **Challenge**: Timing
  - *Opportunity*: Adherence to a timeline using an automated system will increase transparency into the process.

- **Challenge**: Communication
    - *Opportunity*: With the hopes that transparency will increase visibility thus creating more lines of communication.
- **Challenge**: Student Payment
    - *Opportunity*: Once the student payment program is solidified, the same principles may be applied to all pay types.

Impact Makers: General Controls I. T. Audit

During the summer, information technology (IT) security auditing services, Impact Makers, conducted an IT security audit of the university general IT controls. The audit compiled with standards SEC501-12 Information Technology Security Audit Standard. Internal Audit worked directly with Impact Makers in collecting and providing data.

- **Documentation**
    - 50% of SEC501 required policies and procedures are not available.
    - Current policies are being reviewed every three years instead of every year.

- **User Access**
    - NSU has internal controls in place to grant and revoke access; however, there is no annual review of user's active directory or file share access to ensure there is still a business need for the access.

- **Contingency Planning**
    - NSU has an existing COOP plan that has been tested in the past year. Including an established alternate processing site, which is also documented within the plan.
    - It is unclear on how quickly the alternative site could be operational since and it may be difficult to install and configure sufficient equipment to bring its IT infrastructure back online in time to meet its recovery time objectives.

- **Media Protection**
    - Current media protection policy requires prior approval before storing NSU data on USB drives, however there are no controls which require approval for USB drive usage. In addition, there are no technical controls in place to ensure sensitive data is not stored or transported on USB drives.

- **Penetration Testing**
    - An external penetration test has not been performed on our network within the past year. Annual penetration testing helps to

ensure that the NSU network is protected from malicious threats and events.

University Compliance

Dr. Hess discussed three distinct areas of NSU's University Compliance Program including compliance monitoring or prior assessments, progress on prior assessment gap closure plans and progress to date on the current compliance assessment.

Compliance Monitoring: Policies and Programs Updates
- The Violence Prevention Committee and Threat Assessment Team, Board of Visitors Policy #22 is still in draft in the governance process.
  - o Policies and Procedures which support the Violence Prevention Committee and Threat Assessment Team Board of Visitors Policy include the Civility in the Workplace Administrative Policy, with Human Resources as the responsible department, which is still in draft, and the Clery Act Compliance Policy with University Police as the responsible department, which was pending at the time the slides were created but has since been approved and published.
    - ▪ Procedures supporting the Clery Act Compliance Policy include Timely Warning Procedures and Campus Security Authorities Procedures. In addition to the supporting procedures, the Annual Safety and Security Report is continually being updated with language/communication improvements.

- **Transportation and Fleet Services**
  - o At the time the slides were submitted for the board book, the Driver Authorization and Utility Vehicle/Golf Cart Administrative policies and supporting forms were not yet fully approved; however, since that time they have been approved and posted.
    - ▪ Supporting the Driver Authorization Policy is the Driver Authorization Form and the Driver Record Authorization Form
    - ▪ Supporting the Utility Vehicle Golf Cart Policy is the Utility Vehicle Golf Cart Request Form

Gap Closure Updates: Environmental, Health and Safety, and Interconnectedness with Research
- Environmental, Health and Safety Administrative Policy, at the time the slides were submitted for the board book, this policy was still in the governance process; however, since that time the Environmental, Health and Safety Administrative Policy has been approved and posted.
  - o There are many plans/programs/SOPs which have been created, approved and implemented following the compliance assessment which include: Asbestos Operations and Maintenance Plan, Bloodborne Pathogen Program, Chemical

        Hygiene and Laboratory Safety Program, Emergency Eyewash Drench Hose and Safety Shower Program, Formaldehyde SOP, Methylene Chloride SOP, Hazard Communication Program, Hazardous Energy Control Lockout-Tagout Program, Hearing Conservation Program, Hot Work Program, Ladder Safety Program, Personal Protective Equipment PPE Program, Respiratory Protection Program.

- o There are still some compliance gaps closures in development which include the Spill, Prevention, Control and Countermeasures Plan (SPCC) and the Hazardous Waste Program.
- o Leading into an interconnectedness with Research are the gap closures which must address how to keep Safety Data Sheets/Chemical/Hazardous Material and Equipment inventories current.

- Research and Environmental, Health and Safety have a compliance-related interconnectedness in the following areas which is in development:
    - o Updating or re-creating a Research Misconduct Policy and an Animal Welfare Policy and supporting programs and/or procedures.
    - o The institution is seeking a permanent fill for the Vice Provost of Research and Innovation. This position will address the need for a laser and radiation safety officer, documentation of training for using hazardous chemical/materials and equipment and a method or methods for Keeping current on Safety Data Sheets/Chemical/Hazardous Material and Equipment inventories.

Compliance Assessment: American with Disabilities Act (ADA) In Progress

- The Americans with Disabilities Act compliance assessment is in process. As part of the assessment many policy and guidance documents were reviewed including the Equal Opportunity Board of Visitors policy #4, Student and International Students and Faculty Resource Guides and Disability Services and Complaint Procedures.
    - o Many areas of responsibility representing a cross-section of the institution were reviewed and several internal stakeholders were interviewed including: Admissions, Bursar, University Police, Spartan Health Cetner, Counseling Center, Career Services, Student Affairs Extracurricular, and Web Communications.
    - o Several facilities were reviewed including Spartan Health Center, Counseling Center, Career Services, Bookstore, Dining Services, Express Locations, and OASIS.
- Many areas will continue to be, or remain to be, assessed/reviewed including OASIS, Environmental, Health and Safety, Access and Equal Opportunity, Dining Services Full-Service Locations, Academics (each School), Registrar, Academic Counseling, Housing, Distance Learning. IT, Emotional Support Animals, Study Abroad, Facilities.
- The ADA assessment preliminary gap closures for department level review are scheduled to be completed by February 2024 with a final gap closure plan prepared by the end of the Spring 2024 semester.

The System is Working

- Dr. Hess explained that the NSU Compliance Alliance is intentionally composed of diverse representation so members may lend their institutional knowledge and subject matter expertise across the organization. The Compliance Alliance meets quarterly and shares compliance concerns, insights, and best management practices to continually improve the effectiveness of our compliance program.
- Dr. Hess presented a summary of compliance topics the Compliance Alliance has shared during the past year:
  - August 2022 -Webmaster, Website Accessibility
  - November 2022 -Archivist/Records Officer, Records Management and Chief Information Security Officer, Cloud Assessment Process and Oversight
  - February 2023 - Chief Human Resource Officer, Employee Separation and Clearance Process and Assistant Vice President for Access and Equal Opportunity, Title IX at Norfolk State University
  - June 2023 - Chief Audit Executive, Export Controls
  - November 2023 - Director, Procurement IT Solutions/Procurement Services Operations Overview and Information Security Officer, Information Security Roles & Responsibilities
- Dr. Hess shared two examples of building strategic alignment around our compliance obligations and activities.
  - One of our Compliance Alliance members has been proactively sharing the information from the Compliance Alliance within her areas of responsibility. The director has tailored her group's information sessions to include pertinent compliance updates.
  - Within her group they review the presentations from the Compliance Alliance and some of the Compliance Alliance speakers have agreed to present to the NSU Title III Community.
  - Dr. Hess stated that these efforts align with the Compliance Alliance goal of sharing compliance issues and practices across campus.
  - Dr. Hess shared another example of excellence that we have been cultivating within our compliance program. When NSU University Compliance embarked on building an effective compliance program, we needed to first inventory our compliance obligations and then build a calendar around these obligations.
  - After developing the inventory and calendar (which is evergreen due to constantly changing requirements) we started tracking submissions to verify that they were completed. For example, if we knew a regulatory report was due to an external stakeholder in April, we contacted our NSU compliance partner in May and asked them when the submission was made. Dr. Hess stated that we could do better than end of the pipe, or lagging, indicators.
  - By bringing Ms. Peeples into our University Compliance Office, we have been able to build a system that proactively reaches out to our NSU compliance partners and ask them in the month PRIOR to the submission

being due, if they see any roadblocks to a timely submission and if we can help. Along with this proactive reach out, we continued to record the lagging indicator dates of submission so that we have a complete record. By making these proactive inquiries, this month we were able to get in front of two separate and distinct external submissions that we likely would have missed - but didn't. The system is working.

4. **Adjournment**

There being no further business, Chairman Dr. Harold L. Watkins II adjourned the meeting at 9:25 a.m.

Respectfully submitted,

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Ms. Phillita M. Peeples, Audit and Compliance Administrative Assistant

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Dr. Harold L. Watkins II, Chair
Audit, Risk and Compliance Committee

NSU BOV AUDIT, RISK, AND COMPLIANCE COMMITTEE MEETING
ROLL CALL VOTE NOVEMBER 16, 2023

Item	Dr. Watkins	Honorable Dyke	Mr. Blake	Mr. Bland	Mr. Fulton	Mr. Hall	Totals
Quorum	Present	Virtual	Present	Present	Virtual	Present	4-0
Approve Honorable Dyke Virtual Attendance	Yes	--	Yes	Yes	--	Yes	4-0
Ratify September 12, 2023 Minutes	Yes	Yes	Yes	Yes	--	Yes	5-0
Approve Mr. Fulton Virtual Attendance	Yes	Yes	Yes	Yes	--	Yes	5-0
Motion to adjourn	Yes	Yes	Yes	Yes	Yes	Yes	6-0