

# Board of Visitors Committee Meetings

## Norfolk State University

November 16, 2022

Student Center Board Room, Suite 301

700 Park Avenue

Norfolk, VA, 23504

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# ACADEMIC AND STUDENT AFFAIRS



**AGENDA**  
**BOARD OF VISITORS**  
**ACADEMIC AND STUDENT AFFAIRS COMMITTEE MEETING**

*Wednesday, November 16, 2022*

*Mary L. Blunt, Chair*

*8:30 a.m. to 10:00 a.m.*

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

**II. Recommend Approval of Electronic Participation**

**III. Recommend Approval of the Aug, 31 2022, Committee Minutes**

**IV. Discussion Items**

- a. Student Affairs ..... Dr. Leonard Brown
  - i. Timely MD Update
  - ii. Student Support Services Overview
  - iii. Career Services
- b. Academic Affairs ..... Dr. DoVeanna Fulton
  - i. ONE School of Public Health Update
  - ii. International Partnerships
  - iii. Departmental Name Changes
- c. Enrollment Management – Strategic Plan Update ..... Dr. Justin Moses
- d. Athletics Update ..... Ms. Melody Webb
  - i. Strategic Assessment

**V. Public Comment**

**VI. Adjournment**

**Academic and Student Affairs Committee**

*Mary L. Blunt, Chair*

Heidi W. Abbott

Gilbert Bland

BK Fulton

Jay Jamison

Dr. Harold L. Watkins, II

**Staff**

*Dr. DoVeanna S. Fulton, Provost & VP for Academic Affairs*

*Dr. Leonard E. Brown, VP for Student Affairs*

*Dr. Justin L. Moses, VP for Operations & Institutional Effectiveness*

*Ms. Melody Webb, Athletics Director*

*\*The President participates in all Committee meetings*

**All times are approximate and the Board reserves the right to adjust its schedule as necessary.**

**BOARD OF VISITORS  
ACADEMIC AND STUDENT AFFAIRS COMMITTEE MEETING  
WEDNESDAY, AUGUST 31, 2022  
MINUTES**

**1. Call to Order**

Ms. Blunt, Chair, called the Academic and Student Affairs Committee meeting to order at approximately 9:03 a.m. A quorum was established with a 5-0 Roll Call vote.

Mary Blunt asked everyone to introduce themselves because we have new Board Members and additional people.

**Committee Members Present:**

***Mary L. Blunt, Chair***

Heidi W. Abbott

Gilbert Bland

BK Fulton

Jay Jamison

Dr. Harold L. Watkins, II

**Faculty Representative to the Board Present:**

Geoffroy de Laforcade

**Student Representative to the Board Present:**

Indya Richards

**Participant - Counsel**

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

James Wright, Legal

**NSU Administrators and Staff Present:**

Dr. Javaune Adams-Gaston, President

Dr. Justin Moses, Vice President for Operations/ Chief Strategist for Institutional Effectiveness

Dr. Gerald Ellsworth Hunter, Vice President/Chief Financial Officer, Finance and Administration

Dr. DoVeanna Fulton, Provost and Vice President for Academic Affairs

Dr. Leonard E. Brown, VP for Student Affairs

Melody Webb, Athletics Director

Christopher Gregory, Office of Information Technology

Inda Walker, Clerk to the University President and Liaison to the Board of Visitors

Van Murray, Military Enrollment Counselor

**Observers – NSU Administrators and Staff:**

Dr. Aurelia Williams, Vice Provost

Dr. Juan Alexander, Associate Vice President of Enrollment Management

Dr. Gerald Hunter, Vice President for Finance and Administration

Dominique Harrison, Director of Admissions

Dr. Melissa Barnes, Director of Financial Aid

**BOARD OF VISITORS**

Academic and Student Affairs

August 31, 2022

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Michael Carpenter, University Registrar  
Michael Wilkerson, Legal  
Madison Washington, Student Government Association  
Derek Henry, Transfer Admission  
Bonisha Townsend Porter, Student Affairs  
Saranette Williams, Career Services  
Vanessa Jenkins, Health and Wellness  
Cheniqua Goode, Counseling Center  
Kim Gaymon, Scheduler, President's Office

**2. Recommended Approval of the April 13, 2022 Academic and Student Affairs Committee Minutes.**

Motioned was made by BK Fulton and seconded by Heidi Abbott with a 5-0 Roll Call vote, Committee unanimously approved the April 13, 2022 Academic and Student Affairs Committee Minutes.

**3. Student Affairs Updates – Dr. Leonard Brown noted the following:**

**Counseling and Mental Health Support for Students**

- The Importance of Wellness and Mental Health services for students has been an increased focus over the last decade, if not longer in higher education. The success of this focus has decreased the stigma of seeking counseling, and the demand for counseling services has increased because of this and other factors such as medical advances that allow students who once would not attend a college or university do so.
- The pandemic really brought the importance of mental health for students into the forefront as a priority. What has not been fully resolved is how do you effectively provide students with the needed resources, when they want it and in the format that they are most likely to seek those resources.
- Last year, Bishop Brown asked to see the numbers for the Counseling Center.
  - The percentage of the student population that sought counseling services peaked at 9.18 percent in 2018-2019 and bottomed out as expected during the 2020-2021 academic year because of the pandemic.
  - Last year we saw an increase of 6.4 percent, and we expect that number to rise back to pre-pandemic numbers this year.
  - As a comparison, James Madison and Radford, though different schools, fall into the range as described by the Association for University and Counseling Directors where the mean percentage is 7.5.
  - Our Counseling Center is within the normal range for the percentage of students who utilize Counseling Centers on University and College campuses around the country.
  - There is the unresolved question of how you best give students access to the resources they need. For years, we have struggled with wait times to see counselors as has everyone else. If you ask anyone who works with Counseling Centers, it is not possible to staff your way to

a level where every student who seeks services can get those services when they want it in the format they want. The core problem is that we talk about counseling as if it is a monolith.

- The current model shows that students seeking services go to counselors who make an assessment and provide other resources to students, do crisis intervention, refer them for academic support, or counsel them in the traditional manner.
  - The problem is that counselors are in high demand and low supply, and most importantly some of the things that students are seeking do not require a licensed therapist to provide services.
  - To address the problem, we are moving towards a new model and way of thinking about counseling.
  
  - The future model utilizes case workers to do the initial assessment of students and give students a virtual option to speak to someone through TimelyMD.
  - The benefit is that the case managers do not need to be licensed clinicians but can have the training to be able to refer students to campus and community resources, do crisis intervention, assist with wellness skills, and assist or refer them for academic support. If a student is in need of therapy, they can be referred for that specific expertise. This model would allow the counselors to counsel but also allow them to get out into the campus community to develop relationships with students, offer group therapy, and do wellness programming that is needed.
  - The case manager would also serve as a liaison between the campus police and Sentara Norfolk General when a student is recommended for further mental health evaluation. The case manager will follow up with student upon their release from psychiatric evaluation or psychiatric hospitalization and connect them to resources/Counseling Center.
  - The virtual option would work in a similar way. We have contracted with TimelyMD as a virtual option for students. Beginning in October, each student will have access to 12 sessions per year which works out to every other week during each semester. Students will be able to request specific demographics for the counselor they want and be matched as closely as possible with those demographics. Student can schedule sessions on their own time and also will have 24/7 access to crisis counseling if needed. The TimelyMD sessions are staffed by licensed certified counselors and are confidential just as in-person sessions are, but if situations require immediate attention, TimelyMD will work seamlessly with our established emergency protocols.
  - We anticipate that the virtual model will provide the opportunity for more students to have access to resources in a quicker and more personalized manner.
  - As we collect data this year, we look forward to sharing with the committee the progress we are making to expand access to resources for all students.
- **Two Year Residency Requirement**

**BOARD OF VISITORS**

Academic and Student Affairs

August 31, 2022

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- We want to give a preview to the committee regarding a proposal we will bring forward at our next meeting. As we focus on increasing student success, retention, and graduation, one of the important factors that influences student success is living on campus. These factors are rooted in higher education research literature and they all document the benefits
  - Our responsibility to students, their families, and to the Commonwealth of Virginia is to provide students with a world-class education that will serve them as a pathway to the workforce, further education, or service to our community.
  - Tracking those numbers in a way where we can confidently speak to these important outcomes have been a challenge. By example, on average, the last few years that we have collected data, it has only yielded 25-29 percent of the graduating students.
  - Our commitment is to track these numbers in a more robust way so that we can truly demonstrate the power of an NSU degree. Two major initiatives are in the process of being implemented and we expect our initial results at the end of this academic year.
- **Career Services**
    - Career Services has procured a partnership with LinkedIn Corporation to capture placement data. In conjunction with our campaign which started last fall to get all students on LinkedIn. We will be able to run reports that provide us with employment data. In addition, the partnership with LinkedIn will bolster our ability to develop student acumen for career entry planning beginning in their first year.
    - Career Services will continue to work to institutionalize strategic partnerships with Student Pathways and Academic Formation, Academic Units, and the Offices of Assessment and Retention and Alumni Affairs to collect career outcome data for graduates approximately six months after graduation.
    - We are also keenly aware of the importance of internship opportunities for all of our students. Data shows that 84 percent of students who complete an internship gain employment. Similar to employment outcomes, data collection of internships and internship opportunities have been a challenge to collect. To address this concern, the Career Center is implementing Handshake as the central collection point for internships and is working across the campus to make this an institutional practice. "We had over 2, 317 internships made available to our students in Handshake. Examples of Internships made available to our students include Nationwide, FBI, Disney, Port of Virginia, Truist, Geico, Enterprise Holdings, Whiting-Turner, Sony, and more. "
- 4. COVID-19 Update** - Dr. Leonard Brown presented the following:
- COVID-19 has not gone away and is still having an impact in our communities but we are at a point where the mitigation strategies for COVID-19 are shifting because we are not seeing the magnitude of the most serious medical issues or resource issues that we saw since the start of the pandemic. As a community we must shift our practices as well.
  - What has stayed the same is the spirit of the culture of care. We have emphasized that we must continue to work together and care for each other, respect the individual choices we

- make to protect ourselves and our loved ones while at the same time respecting the choices others make that may be different than ours.
- Our practices for the Culture of Care include:
    - Continuing to educate the community and continuing to encourage vaccination and boosters as recommend by the CDC
    - Masking while in classrooms and offices.
    - Campus events will provide attendees with any specific mitigation protocols to include masking based on the circumstances.
  - Just recently, the CDC has pulled back from social distancing in regard to COVID-19.
  - We will continue to monitor the community transmission levels of COVID-19, consistent with the state, we have moved from green this summer to yellow more recently. If we reach a point where we feel that we need to reinstitute stricter mitigation practices, the university community will be notified of any changes.
  - Mr. Brown stated that we are fully aware of the Monkeypox public health emergency and have the appropriate protocols to respond if we need to.

**5. Academic Affairs Update** - Dr. DoVeanna Fulton presented the following:

**Faculty Workload Initiative**

- Dr Fulton noted that the purpose of the initiative is to **Assist NSU leadership in understanding current faculty workload and designing an equitable process so that the implementation of the workload policy facilitates faculty productivity and appropriate financial impacts for strategic progress.** There are 5 phases:
  - Data Collection
  - Presentations for administrators and faculty to explore usefulness of models.
  - Designing input mechanisms and instruction.
  - Process the data with 1 or 2 models for units. Prepare detailed reports for the Provost, Deans, and Department Chairs for each model.
  - Process the data for faculty with selections for weighing.
- Work to date:
  - Developed list of peers and aspirational peers from their SCHEV list of peers', consensus peers from the Task force, and some similar universities whose workload policies were available.
  - Gathered general information from iPEDS, state reports, and faculty handbooks/policies.
  - Evaluated practices for workload among peers and aspirational peers.
  - Talked to leaders at three (3) aspirational peers (no disclosure on working for NSU was made).
  - Analyzed multiple semesters of NSU actual teaching assignments.
- Findings among peers
  - Most start at 12 hours/semester, except they appear to have more systemic automatic releases

- Most said tenure and tenure track faculty in departments that have graduate students are more likely to teach 9 hours/semester. Common exceptions:
  - weigh graduate courses by 1.33 or 1.5
  - all administrators and departmental advisors release 3-9 hours
  - all can reduce up to 3 hours for thesis or dissertation advising
  - most allow chair/dean to release more for special research, accreditation, or curricular innovation
  - some negotiate with the provost for how many overall releases they can give
  - all have a method of reporting/certifying the departmental loads and some individual faculty member loads
  - Some spoke of class size and TSAs provided or not as a basis for some weighing
  - Several weigh labs, student teaching, private lessons, or clinic hours at 0.67 for every scheduled hour/week

#### **Research Compensation Analysis Initiative**

- The objective is to assess research compensation practices at Norfolk State University to provide an enhanced culture that supports innovative research by all faculty and a streamlined workflow for compensation operations across the University.
  - Completed Assessments, Interviews, and Recommendations
  - Next Steps:
    - Policy Recommendations Under Review
    - Approve and Implement Revised Policy

#### **Course Scheduling Optimization Initiative**

- The objective for the Course Scheduling Optimization Initiative is for Norfolk State University to effectively use technology to have an official and effective course scheduling process.
  - Completed:
    - Discovery
    - Review
    - Project Outcomes
- **Enrollment Update**
  - **Next Steps:**
    - Identify Technological Platform
    - Develop Implementation Plan
    - Train Faculty and Staff Schedulers
- **General Education Curriculum Reform**
  - **Objective:** Improve Student Success in Gateway Courses; provide General Education that Meets 21<sup>st</sup> Century Demands; and Develop T-Shape Professionals.

- **Completed:**
  - Review of other general education models and reform processes followed by other universities
  - Workshop to consider NSU General Education Needs.
- **Next Steps:**
  - Develop Model
  - Develop/Revise Courses
  - Implement Model and assess
- **Promotion and Tenure Application timeline**
  - Dr. Fulton provided a brief overview.
    - Feb 15 Applicants submit portfolios
    - Feb 28 Chair and Peer Evaluations Completed
    - March 4 Dept. Recommendations submitted to the College/school Dean
    - March 15 Deans submit department recommendations to the University Review Committee
    - March 31 University review Committee submits recommendations to the provost.

**6. Enrollment Update** - Dr. Justin L. Moses presented the following:

The Enrollment numbers are up from last year and he lauded the efforts of the Enrollment Management team, specifically Dr. Alexander, Mr. Dominique Harrison, Dr. Melissa Barnes, Mrs. Meshea Vann, and Mr. Derek Henry. He noted that while Mrs. Vann is no longer here at the University, her efforts certainly helped to sustain and increase our pipeline of transfer students from all over the region. He thanked his colleagues in Academic Affairs, the Provost, Vice Provost for Academic Administration, and Dr. Neal Associate Vice Provost for Academic Engagement for their work, particularly around our bridge Programs, in addition to our colleagues in Student affairs, Dr. Brown, Dr. Fitzgerald, and Ms. Townsend Porter. He noted that the focus now will be on maintaining students, utilizing Culture of Care, and a comprehensive university wide approach.

- We had a goal to enroll and financially clear 5600 students, we exceeded our goal by nearly 200 students.
- Enrollment currently stands at 5,805. 9% increase from where we were last year.
- 1311 of these students are freshmen + 20% increase from last year's freshman enrollment.
- At our next meeting we will have the final count – which will include what is reported for Census Data.
- **Implementation of Slate CRM**

- Slate CRM allows us to communicate with our students more effectively by allowing the process of information quickly, allowing Admissions staff to make admissions decisions through the portal.

**Strategic Enrollment Planning Update** – Over the course of last year, the Enrollment Management Leadership team, in conjunction with a variety of administrators and partners, is currently working with Ruffalo Noel Levitz (RNL) to develop a comprehensive Enrollment Management Strategic Plan. We are now finalizing that plan – the strategies that support it include digital processes, proactive advising, data centralization, processing and analysis, reducing organizational silos and promoting student success, and highlighting the success of our students and alumni through a campaign.

- Financial Leveraging – This process will assist the university in finding more funding opportunities for our students so that they leave here with little to no financial burden.
- Financial Aid is considering a platform that will allow for digital delivery of financial aid packages.

- **Enrollment Management Realignment**

- Dr. Moses and Dr. Alexander discussed changes to the structure in Enrollment Management.
  - Mr. Dominique Harrison now serves as the Executive Director of Admissions and Recruitment
  - Transfer Admissions and Services will report to the Executive Director of Admissions and Recruitment
  - Director of Transfer Admissions and Services position has been converted to Associate Director
  - Associate Director of Orientation position has been converted to Director of Orientation and Special Programs
  - Director of Orientation and Special Programs will now oversee the Virginia College Affordability Network (VCAN) advisors

**7. Athletics Update** - Ms. Melody Webb presented the following:

This year NSU athletics has accomplished some major feats, started new initiatives, and propelled the student athlete experience by focusing on five key initiatives, which include: academic excellence, athletic excellence, financial sustainability, branding, and stakeholder engagement.

- **Academics** –

The success of academics comes with being intrusive in the student athlete academic plan and making sure we have programs in place that will lead to their overall success throughout their journey.

We finished the year with a graduation success rate of 76% and are currently implementing new initiatives based on best practices to support the holistic development of our student-athletes. Academics is doing well but is not exempt from the challenges that the transfer portal poses on our Academic Progress Rate that factors in eligibility and retention.

Overall, the programs have had much success. It is our objective to continue to build on current capacities by ensuring our commitment to increase and strengthen the resources for student-athletes' academic and personal development.

We just recently secured the NCAA Accelerating Academic Success Program Grant for \$100K that will be used to fund our Spartaneurship –Name, Image Likeness Academy, Smart Tech Café and the CLEAR Leadership Academy.

The Spartaneurship program aims to educate and empower all student-athletes of Norfolk State University to make informed decisions regarding their Name, Image, & Likeness. This program will be explicitly shaped to adhere to the NSU ideals of Pride, Integrity, Engagement, Curiosity, and Excellence.

- **Objectives of the NIL Academy include:**

- Educate student-athletes on contract fundamentals
- Financial literacy
- Identifying unique ways to maximize their brand
- Provide educational models on business formation
- Develop collaborative community-based programs

- **Advancing Athletics**

- **Financial Planning**

- Enhance and diversify strategies and portfolios to capitalize on new revenue generation.

- **Athletics Excellence**

- Optimize the ability for student-athletes to win and consistently compete for championships across the entire sports portfolio.

- **Strategic Partnerships**

- Enhance operational efficiencies and strategic partnership that build brand equity that increases viewership and revenue streams to gain a competitive advantage and improve financial position.

**8. Public Comment**

No one signed up for public comment.

**BOARD OF VISITORS**  
Academic and Student Affairs  
August 31, 2022  
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**9. Adjournment**

There being no further business, the meeting was adjourned at approximately 11:20 a.m.

Respectfully submitted,

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Mary L. Blunt, Chair  
Academic and Student Affairs Committee

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Dr. Justin L. Moses, Committee Lead  
Vice President for Operations and Chief  
Strategist for Institutional Effectiveness

**NSU BOV ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

**ROLL CALL VOTE AUGUST 31, 2021**

<b>Item</b>	<b>Mrs. Blunt</b>	<b>Mrs. Abbott</b>	<b>Mr. Bland</b>	<b>Mr. Fulton</b>	<b>Mr. Jamison</b>	<b>Dr. Watkins</b>	<b>Totals</b>
Quorum	Present	Present	Present	Present	Present	Present	6-0
Approve April 13, 2022 Minutes with revision	Yes	Yes	Yes	Yes	Yes	Yes	6-0



**Norfolk State University**  
**B.O.V. - Academic and Student Affairs Sub-Committee Meeting**  
November 16, 2022



# Agenda

- 
- **Student Affairs**
    - NSU Trio Program
    - Timely MD
    - Career Services
  - **Academic Affairs**
    - ONE School of Public Health
    - International Partnerships
    - Departmental Name Changes
  - **Enrollment Management**
    - Strategic Plan Update
  - **Athletics Update**
    - Strategic Assessment

# The Division of Student Affairs

BOV Committee Meeting  
November 16, 2022

Dr. Leonard E. Brown  
Vice President for Student Affairs



# Student Support Services (TRiO)

The Student Support Services (SSSP) is a federally funded program by the United States Department of Education. The program was established on the campus of Norfolk State University (NSU) in July 1971. The Norfolk State University Student Support Services Program is designed to provide an array of supportive services for 400 eligible participants. Each participant receives full service while matriculating at NSU. The purpose of the program is to promote retention and graduation from NSU. The current grant cycle is from 2020-2025

# TRiO

280

- First Generation and Low Income
- 91% of all Pell Grant Recipients come from households with income less than \$24K

84

- First Generation (Only)
- 94% of all NSU students receive some form of Financial Aid

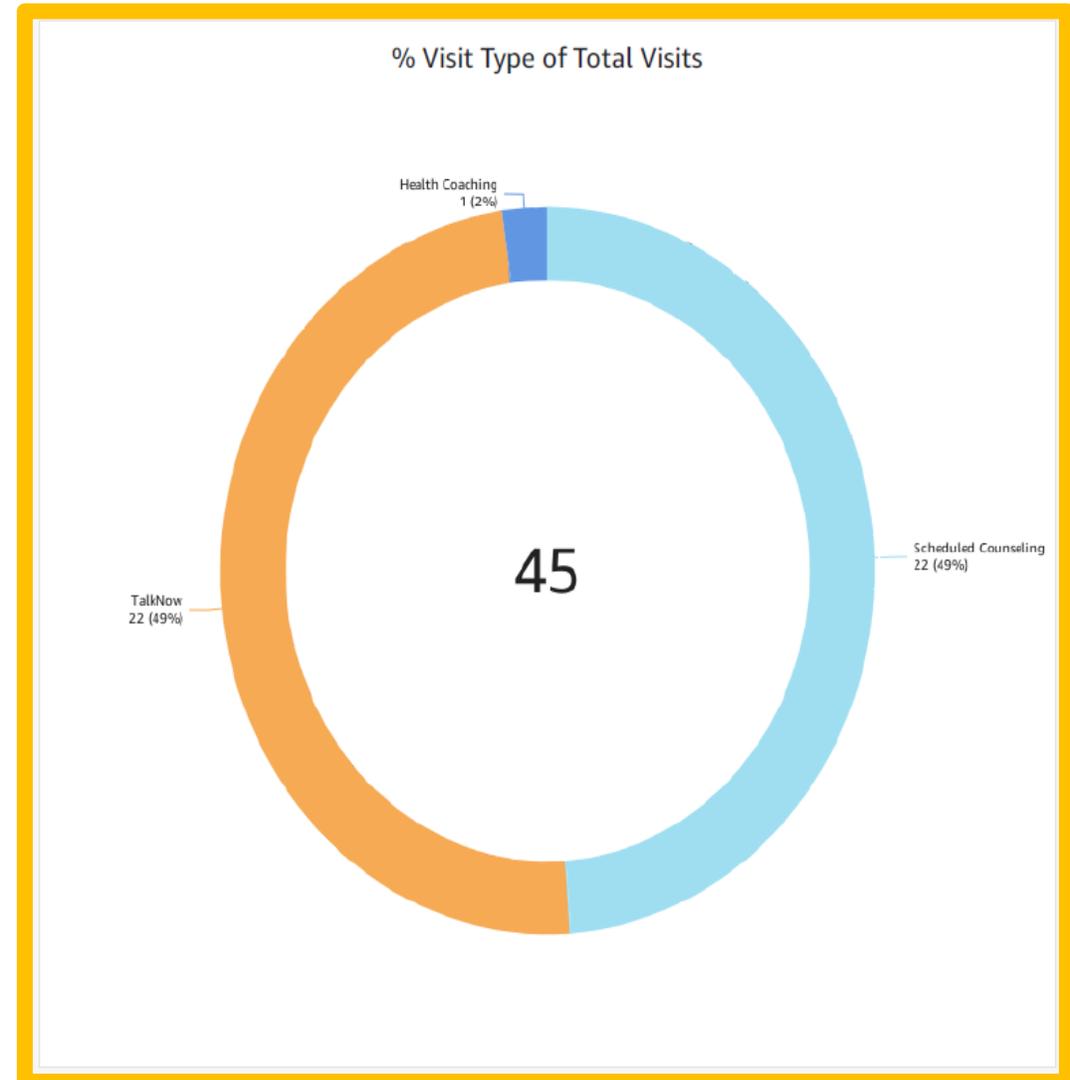
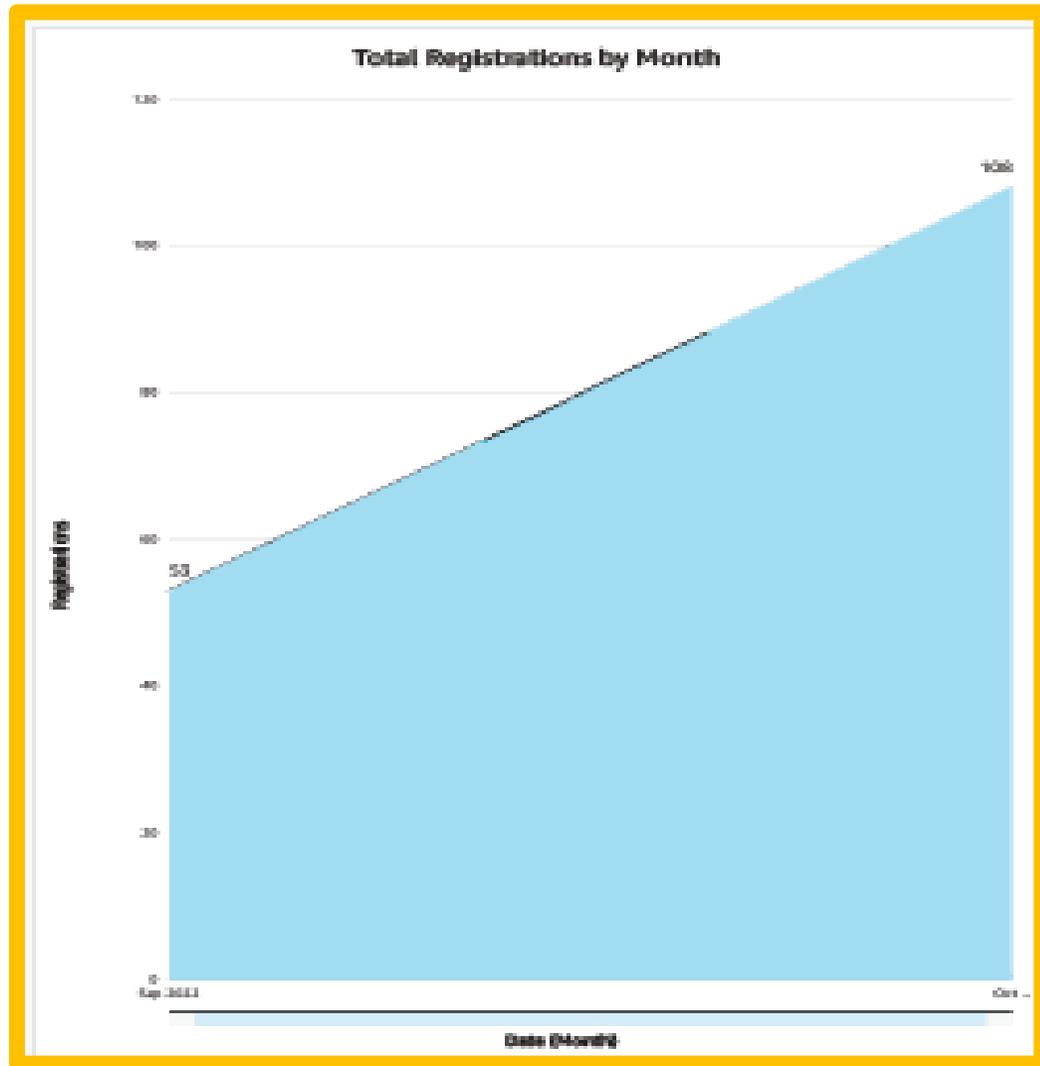
25

- Low Income (Only)

25

- Students who also receive Disability Services (Only)
- 66% of the 414 students currently being serviced by SSSP come to the University with a host of deficiencies and need for numerous interventions

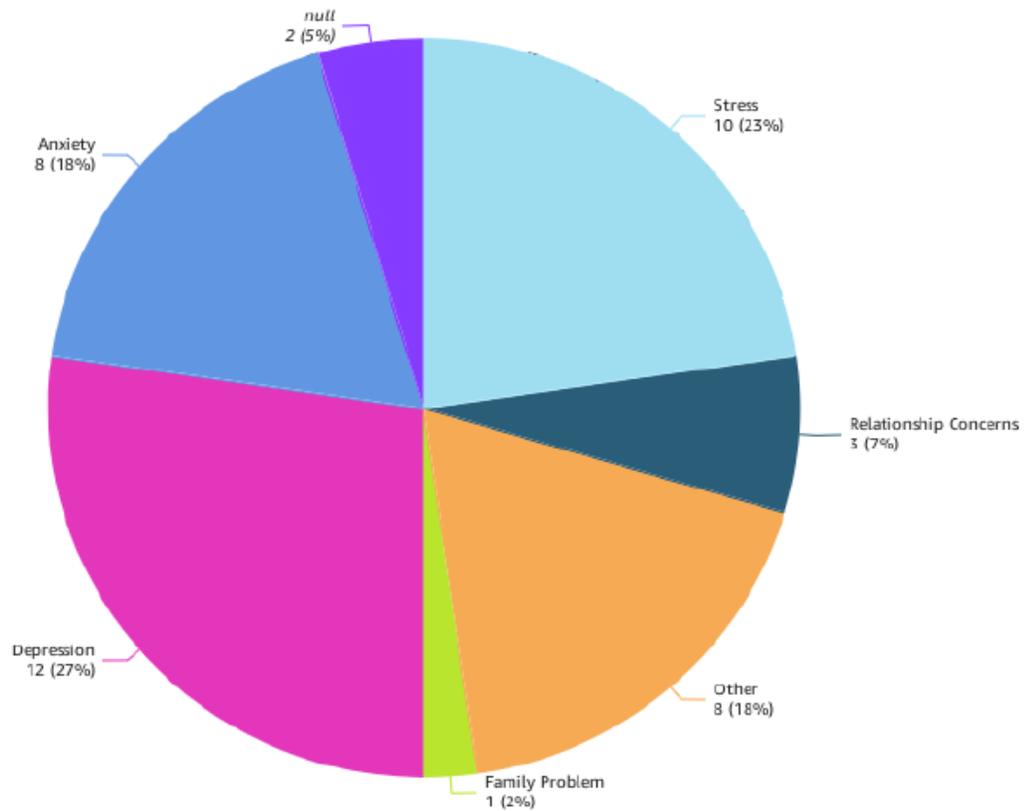
# Timely Care



# Timely Care

Reason for Mental Health Visit

TimelyCare only



Stress Relationship Concerns Other Family Problem Depression Anxiety null

# Career Services





Thank You

# Academic Affairs Division

DoVeanna S. Fulton, Ph.D.

Provost & Vice President for Academic Affairs



# ONE School of Public Health

- Fall Update





# International Partnerships



# Departmental Name Changes





# Enrollment Management Update

Dr. Justin Moses  
Vice President for  
Operations & Institutional  
Effectiveness

# Enrollment Management Strategic Plan



1. Preparation and Data Analysis
2. Strategy and Action Plan Development
3. Plan Formation and Goal Setting
4. Track Progress and Goals

## Enrollment Strategic Plan – Recommended Strategies

- **Organizational Silo Reduction and cross divisional collaboration**
- **Targeted retention efforts to support enrollment goals**
- **Increased automation**
- **Campaign highlighting student and alumni success**
- **Development of comprehensive and centralized data warehouse**
- **Establishment of proactive and intrusive advising approach**



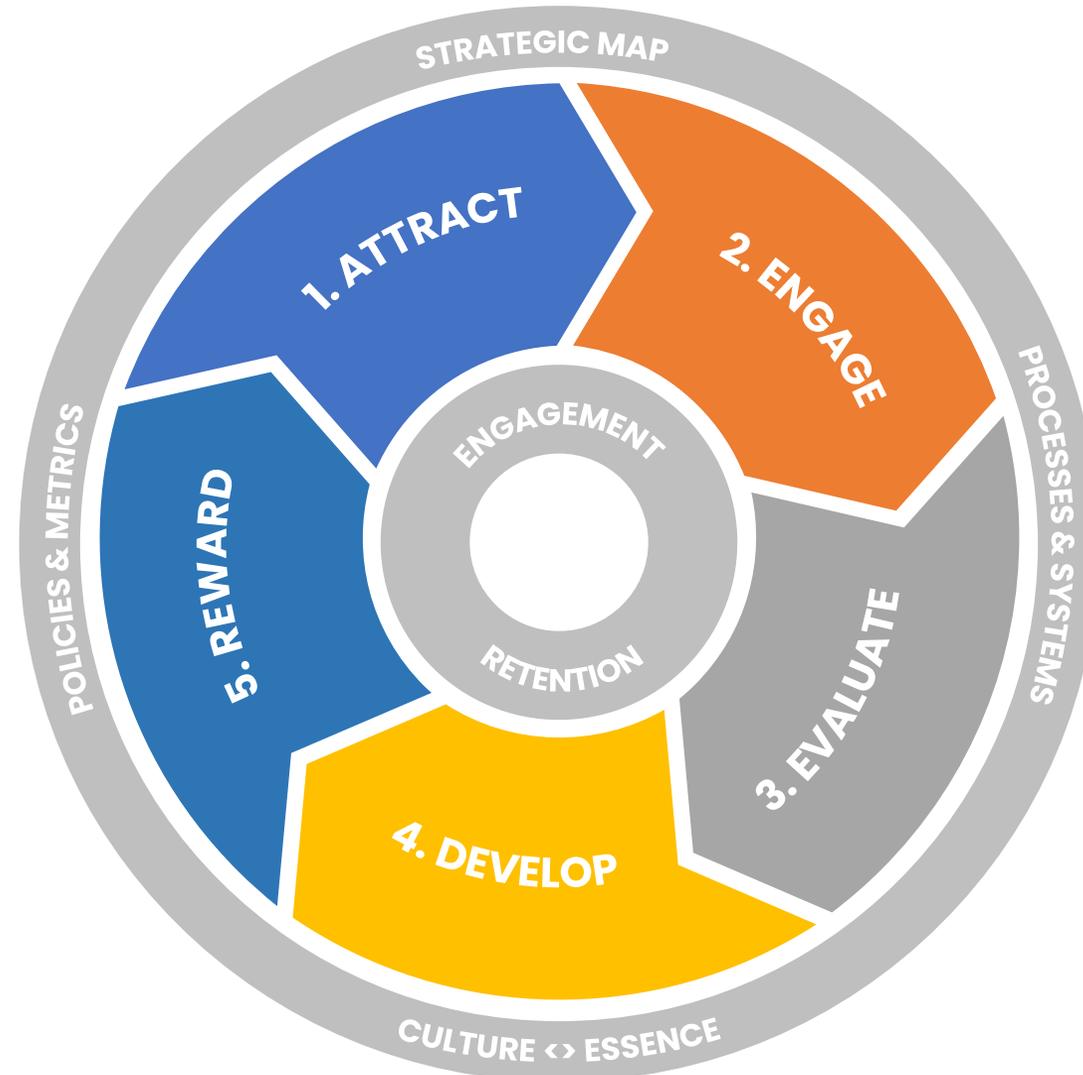


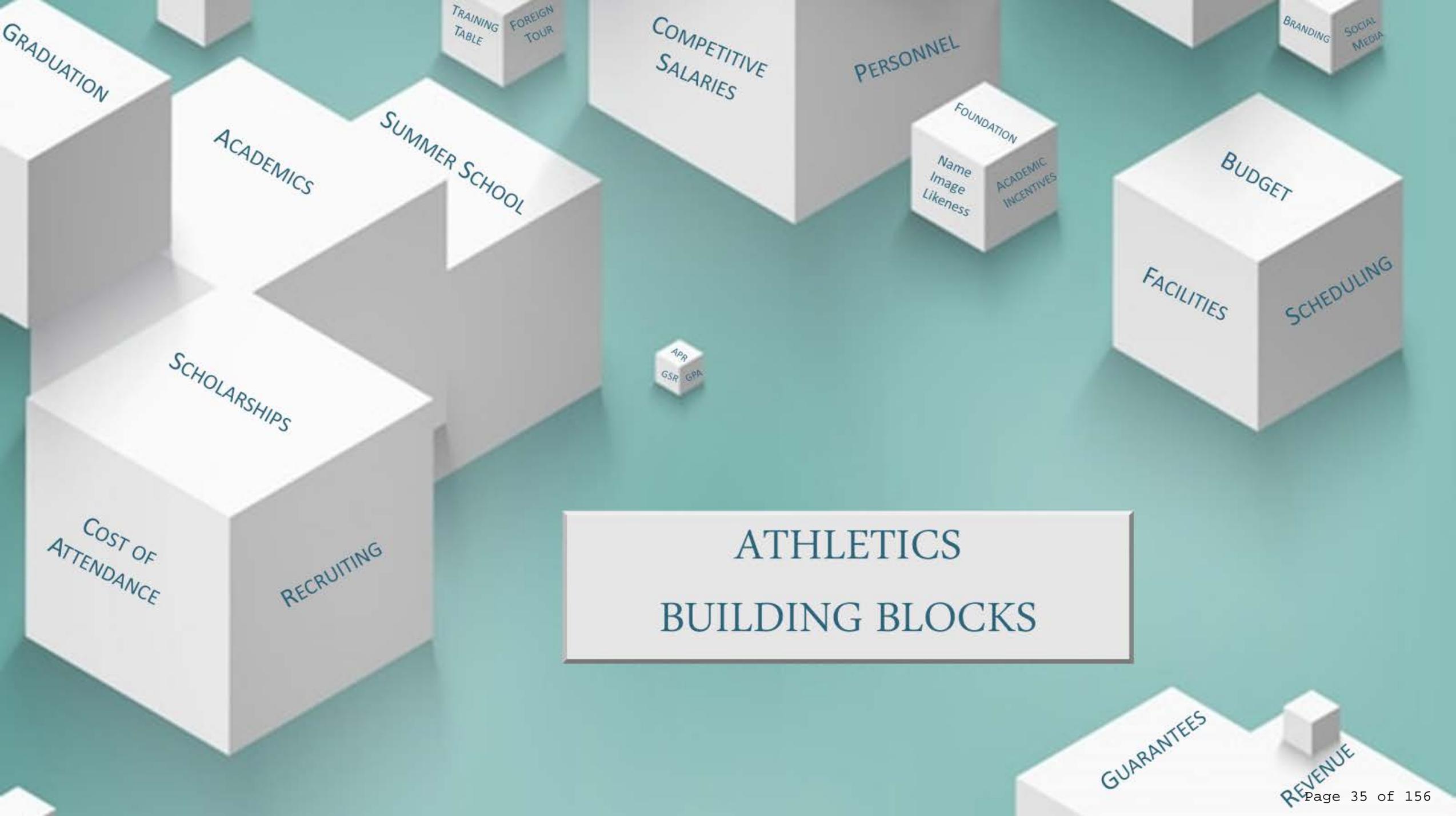
# ATHLETICS



# ATHLETICS STRATEGIC ASSESSMENT

Building Blocks





GRADUATION

ACADEMICS

SUMMER SCHOOL

SCHOLARSHIPS

COST OF ATTENDANCE

RECRUITING

TRAINING TABLE

FOREIGN TOUR

COMPETITIVE SALARIES

PERSONNEL

FOUNDATION

Name  
Image  
Likeness

ACADEMIC INCENTIVES

BRANDING

SOCIAL MEDIA

BUDGET

FACILITIES

SCHEDULING

APR  
GSR  
GPA

# ATHLETICS BUILDING BLOCKS

GUARANTEES

REVENUE



# NORFOLK STATE UNIVERSITY

700 Park Avenue | Norfolk VA 23504  
(757) 823-8600

# STRATEGIC FINANCE COMMITTEE

**BOARD OF VISITORS**  
**STRATEGIC FINANCE COMMITTEE MEETING**  
**AGENDA**

BK Fulton, Chair  
November 16, 2022  
Time: 10:30 am

Campus Location

Norfolk State University  
700 Park Avenue, Norfolk, VA 23504  
Student Center, Board Room, 3<sup>rd</sup> Fl., Suite 301

- I. Call to Order/Establish Quorum**
- II. Recommend Approval of Electronic Participation**
- III. Recommend Approval of the August 31, 2022, Committee Minutes**
- IV. Discussion Items**
  - A. Quarterly Financial Report
  - B. ARMICS Update
  - C. SAIL Update
  - D. Clery Report Update
  - E. Legislative Update
  - F. Human Resources Update
  - G. Information Technology Update
    - BOV Policies
      - BOV UISP #07 Risk Assessment
      - BOV UISP #09 Incident Response Policy
  - H. University Advancement Update
- V. Closed Meeting – Pursuant to §2.2-3711A.1, 4, 7 and 8, Code of Virginia**
- VI. Open Meeting**
  - Closed Meeting Certification
- VII. Adjournment**

Strategic Finance Committee

*BK Fulton, Chair*

Dwayne B. Blake

The Honorable James W. Dyke, Jr. (Virtual)

Conrad Hall

Jay Jamison

Delbert Parks

Staff: *Dr. Gerald E. Hunter, VP for Finance and Administration & CFO*  
*Dr. Justin L. Moses, VP for Operations & Chief Strategist for Institutional Effectiveness*  
*Clifford Porter, VP for University Advancement*

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*The President participates in all Committee meetings.*

**All times are approximate and the Board reserves the right to adjust its schedule as necessary.**  
**In compliance with the Virginia Freedom of Information Act, please be advised that during the course of this meeting there will be no opportunity for public comment.**

**BOARD OF VISITORS  
STRATEGIC FINANCE COMMITTEE MEETING  
WEDNESDAY, AUGUST 31, 2022**

**MINUTES**

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

Mr. Fulton, Chair, called the Strategic Finance Committee meeting to order at approximately 3:30 pm. A quorum was established with a 6-0 Roll Call vote. Below is a list of individuals who attended.

Participants – Committee Members

Mr. BK Fulton, Chair  
Mr. Dwayne B. Blake  
The Honorable James W. Dyke, Jr.  
Mr. Conrad Hall  
Mr. Delbert Parks  
Mr. Jay Jamison

Participant - Counsel

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

Participants – NSU Administrators and Staff

Dr. Javaune Adams-Gaston, President  
Mr. Eric Claville, Executive Advisor to the President for Governmental Relations  
Dr. Gerald Ellsworth Hunter, Vice President for Finance and Administration & CFO  
Dr. Justin L. Moses, Vice President for Operations and Chief Strategist for Institutional Effectiveness  
Mr. Clifford Porter, Vice President, University Advancement  
Ms. Inda Walker, Office Manager/Board Liaison  
Ms. Martha M. Wilson, Executive Assistant, Finance and Administration

Observers – NSU Administrators and Staff

Ms. Stevalynn Adams, Assistant Vice President, Office of Communications and Marketing  
Dr. Andrew T. Carrington, Assistant Vice President for Finance and Administration  
Mr. Brian Covington, Chief of Police  
Ms. Karla Amaya Gordon, Assistant Vice President, Finance and Administration/  
University Controller  
Ms. Misti D. Goodson, Director, Development Services & Stewardship  
Dr. Davida Harrell-Williams, Director, Auxiliary Enterprises and Services  
Ms. Michelle D. Hill, Executive Director, Alumni Relations & Annual Giving

Ms. Sana Z. James, Assistant Vice President for Development  
Ms. Crystal Jenkins, Executive Director, Norfolk State University Foundation  
Mr. Anton Kashiri, Associate Vice President of Facilities Management  
Mrs. Sandra Faye Monroe-Davis, Chief Information Officer, Office of Information Technology  
Dr. Karen H. Pruden, Assistant Vice President, Human Resources  
Ms. Ruby Spicer, Director, Procurement Services  
Ms. Crystal Square-Williams, Executive Director for University Events  
Ms. Irma Thomas, Senior Technical and Finance Analyst, Finance and Administration  
Ms. Tanya White, Chief of Staff, President’s Office

**2. Recommended Approval of the April 13, 2022, Strategic Finance Committee Minutes**

**Motioned and seconded with a 6-0 Roll Call vote to approved the April 13, 2022 meeting minutes with a revision to add *Closed Meeting – Pursuant to §2.2-3711A.1, 4, 7 and 8, Code of Virginia to the minutes.***

**3. Discussion Items**

**FY2022 Preliminary Financial Report**

Dr. Hunter presented a brief synopsis of the Financial Report (amounts in thousands) as of June 30, 2022: Total Revenue and Expense Budget of \$220,312 with actual revenue collections of \$263,074, and total expenses being at \$237,752 brings the excess revenue over expenses to \$25,322. The Total Use of Funds as of June 30, 2022, was \$237,751,702 and included expenses for instruction, research, public service, academic support, student services, institutional support, operations and maintenance, student financial assistance, sponsored programs, auxiliary enterprises, and local funds.

**Higher Education Emergency Relief Fund (HEERF) Update**

Dr. Hunter reported on the federal HEERF funds that provide direct funding to the institutions of higher education to help mitigate financial losses sustained as a result of COVID-19. NSU received \$102,607,938 directly from the federal government and \$7,974,086 from the Commonwealth of Virginia for a grand total of \$110,582,024. As of June 30, 2022, \$73,726,604 had been expended with a balance of \$36,855,420. Over 50% of the funds were awarded directly to NSU students. In addition, Dr. Hunter mentioned that the First Year SAIL program, where books are provided electronically online, is in effect and doing well.

**Fall 2022 Enrollment Revenue**

Dr. Hunter reported on the Schedule of Projected Tuition Revenue for FY2023, which included in-state enrollment of 4,089 and out-of-state of 1,663. Total enrollment is at 5,752. In addition, he discussed the part-time hours for in-state students at 3,468 and part-time hours for out-of-state students at 897. Overall, part-time hours for students are 4,365.

### **Six-year Institutional Plan (Resolution)**

Dr. Hunter reported that the Six-year Plan (SYP) Amendments included no increase in tuition. As a result, the percentage amounts applied to the previously approved plan will generate a lower amount for the planned FY24 tuition. Estimated revenues shown for FY22 reflected projections for the year at the time of submission. The revenue projections in fiscal years 2022-2023 and 2023-2024 reflected the revised projections for enrollment, and revised tuition and fees. The 2022-2024 biennium budget, approved by the General Assembly and Governor, provided additions for many of the items requested in the 2021 SYP. The 2022 SYP was prepared with the premise the University will receive no new general fund resources. In addition, the FY 2022 SYP provides a salary increase for employees of 5%; therefore, the tuition increase will provide sufficient financial resources needed for the salary increase. The University will request general fund support as needed for the implementation of the SYP. The requests for the 2022-2024 biennium were funded with general funds through the actions of the Governor and the General Assembly. The most significant item here is the increase anticipated for waivers, which are obligations the Commonwealth has made and the University is required to honor. The amount continues to rise and the change better reflects the more realistic amount that will be waved.

**Motioned and seconded with a 6-0 Roll Call vote to present to the Full Board the Resolution to approve the FY2023-24 Six-year Plan Amendments as a recommended**

### **Facilities Update**

Dr. Hunter presented the Capital Six-year Plan that included the COVID-19 Projects Update, Maintenance Reserve Projects Update, Capital Projects Update, Shepherd's Village, and the Campus Edge Master Plan. Completed projects included Gate 8 Entry Gate, Lee Smith upgrade, Charles Smith project, Mid-Rise Bathroom upgrade, Rosa Alexander upgrades, and Samuel Scott upgrades. In addition, estimated completion dates for the following projects were presented: Babbette Towers Upgrades, August 2023; Mid-Rise Elevator upgrade, September 2022; Babbette Towers – North, August 2023; McDemmond Center Air Valves Construction, August 2022; Facilities Management HVAC Replacement Construction, November 2022; Gill Gym, August 2023; Echols Hall HVAC Replacement PH1 – Chillers, October 2022; Echols Hall, Spring 2023; Echols Hall HVAC Replacement PH2, AHU in design Spring 2024; Wilson Hall 4th Floor, September 2022; Brooks Library construction, December 2022; Spartan Station Roof Replacement, bid Spring 2023; and Robinson Tech Roof Replacement Going, bid Spring 2023. Pending Capital Projects included constructing a new Science Building, replace the Fine Arts Building, and construct Physical Plant Warehouse.

### **Legislative Affairs Update**

Mr. Claville, Interim Executive Advisor to the President for Governmental Relations stated that the 2023 Capital Budget Request was presented to the Governor with a projected cost to Construct Living Learning Center and Dining Facility, \$129,277,030; Construct Wellness, Health and Physical Education Center, \$141,579,611; Construct Preschool Academy,

**BOARD OF VISITORS**

Strategic Finance Committee

August 31, 2022

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\$27,891,978; Construct New Dining Facility/Replace Scott Dozier, \$58,774,703; Construct Residential Housing Phase II, \$95,617,213; and Improve Campus Infrastructure, \$18,190,500.

**Information Technology & Information Security Update**

Dr. Justin Moses, vice president for operations & chief strategist for institutional effectiveness, presented the Information Technology Update, which included the Spartan Innovation Academy Update, Process Analyses for business and operational needs, and EVA/Colleague Integration to be completed fall semester. Dr. Moses also presented the Information Security Update, which included continued contingency planning for departmental systems; New BOV level policies (Risk Management, Incident Response, and Acceptable Use); and Education and Training.

**Human Resources Update**

Dr. Moses provided an overview of the Cardinal System Implementation (September 2022), Merging of Personnel and PMIS systems, Testing currently in progress for the electronic format of internal personnel actions, and New HR Business Partners arriving September.

**University Advancement Update**

Mr. Porter, Vice President for University Advancement, presented the Six-year Fundraising Overview; discussed the Six-year Alumni Giving program; Major & Leadership Gifts; Major Divisional Events & Updates; Alumni Relations and Annual Giving; Communication and Marketing strategies; and major University Events including two new 46-passenger buses that communicate and promote NSU. The six-year fundraising overview included calendar years 2017-2022. As of August 31, 2022, \$2.37 million was raised from 3,873 donors. Major & Leadership Gifts included Landmark Foundation, \$5 million; Mrs. Beth Dozoretz, \$500,000; Mr. & Mrs. Jim Squires, \$281,000; and PointsBet, \$250,000. Mr. Porter also discussed the Six-year Alumni Giving for calendar years 2017-2022. As of August 31, 2022, 2,363 alumni had donated \$646,202 for 2022.

**Closed Meeting – Pursuant to §2.2-3711A.1, 4, 7 and 8, Code of Virginia**

There was no closed meeting

**BOARD OF VISITORS**  
Strategic Finance Committee  
August 31, 2022  
Page 5

**Public Comment**

No one signed up to speak

**Adjournment**

There being no further business, the meeting was adjourned at approximately 4:19 p.m.

Respectfully submitted,

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BK Fulton, Chair  
Strategic Finance Committee

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Gerald Ellsworth Hunter, PhD Committee Lead  
Vice President for Finance and Administration

**NSU BOV STRATEGIC FINANCE COMMITTEE  
ROLL CALL VOTE AUGUST 31, 2021**

<b>Item</b>	<b>Mr. Fulton</b>	<b>Mr. Blake</b>	<b>Honorable Dyke</b>	<b>Mr. Hall</b>	<b>Mr. Parks</b>	<b>Mr. Jamison</b>	<b>Totals</b>
Quorum	Present	Present	Present	Present	Present	Present	6-0
Approve April 13, 2022 Minutes with revision	Yes	Yes	Yes	Yes	Yes	Yes	6-0
Approve motion to present Six Year Plan to the Full Board for approval	Yes	Yes	Yes	Yes	Yes	Yes	6-0

# **BOARD OF VISITORS (BOV)**

## **STRATEGIC FINANCE COMMITTEE MEETING**

**Wednesday, November 16, 2022, 10:30 am**

**BK Fulton, *Chair***

**Dwayne B. Blake**

**The Honorable James W. Dyke, Jr.**

**Conrad Hall**

**Jay Jamison**

**Delbert Parks**



**BOARD OF VISITORS**  
**STRATEGIC FINANCE COMMITTEE MEETING**  
**AGENDA**

BK Fulton, Chair  
November 16, 2022  
Time: 10:30 am

Campus Location

Norfolk State University  
700 Park Avenue, Norfolk, VA 23504  
Student Center, Board Room, 3<sup>rd</sup> Fl., Suite 301

- I. Call to Order/Establish Quorum**
- II. Recommend Approval of Electronic Participation**
- III. Recommend Approval of the August 31, 2022, Committee Minutes**
- IV. Discussion Items**
  - A. Quarterly Financial Report
  - B. ARMICS Update
  - C. SAIL Update
  - D. Clery Report Update
  - E. Legislative Update
  - F. Human Resources Update
  - G. Information Technology Update
    - BOV Policies
      - BOV UISP #07 Risk Assessment
      - BOV UISP #09 Incident Response Policy
  - H. University Advancement Update
- V. Closed Meeting – Pursuant to §2.2-3711A.1, 4, 7 and 8, Code of Virginia**
- VI. Open Meeting**
  - Closed Meeting Certification
- VII. Adjournment**

**Strategic Finance Committee**

*BK Fulton, Chair*  
Dwayne B. Blake  
The Honorable James W. Dyke, Jr. (Virtual)  
Conrad Hall  
Jay Jamison  
Delbert Parks

*Staff: Dr. Gerald E. Hunter, VP for Finance and Administration & CFO*  
*Dr. Justin L. Moses, VP for Operations & Chief Strategist for Institutional Effectiveness*  
*Clifford Porter, VP for University Advancement*

-----  
*The President participates in all Committee meetings.*

**All times are approximate and the Board reserves the right to adjust its schedule as necessary.**  
**In compliance with the Virginia Freedom of Information Act, please be advised that during the course of this meeting**  
**there will be no opportunity for public comment.**

- I. Call to Order/Establish Quorum**
- II. Recommend Approval of Virtual Participation for Board Members**
- III. Recommend Approval of the August 31, 2022, Committee Minutes**

**BOV Strategic Finance Committee**

**Division of Finance  
and Administration**

**Gerald Ellsworth Hunter, PhD**

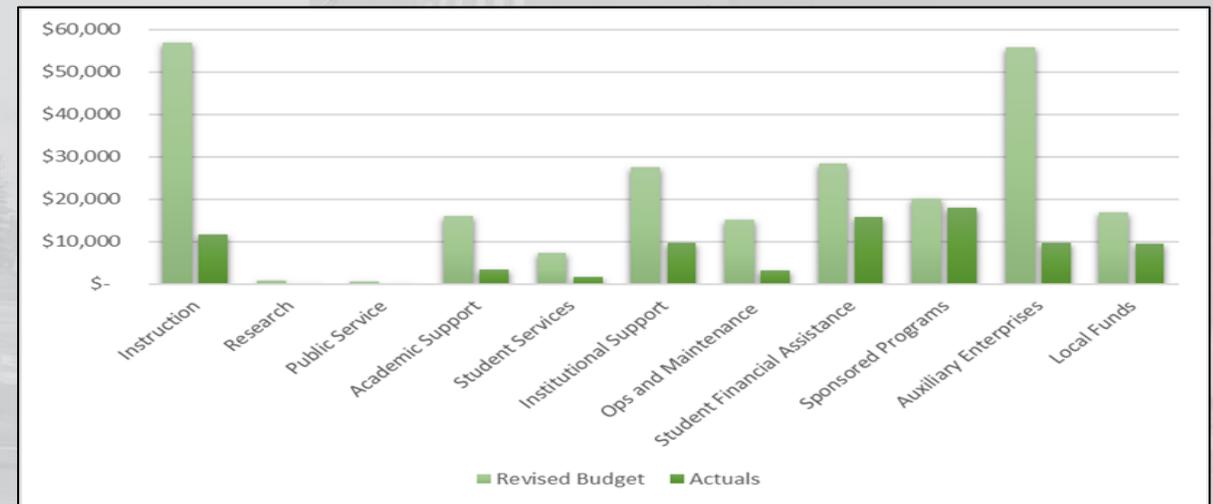
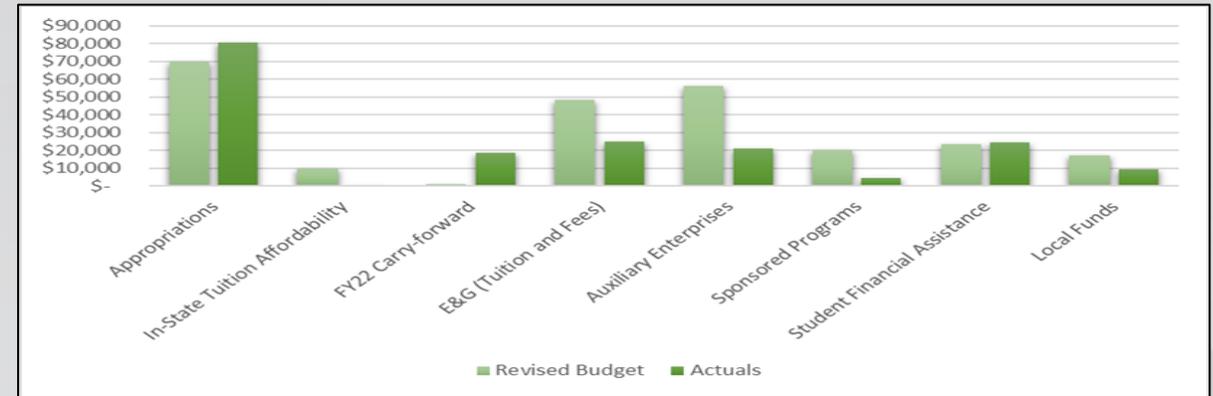
**Vice President & Chief Financial Officer**



# FY 2023 - Condensed Summary of Revenues and Expenses Budget Report - All Funds (Cash Basis) as of September 30, 2022 (Amounts in Thousands)

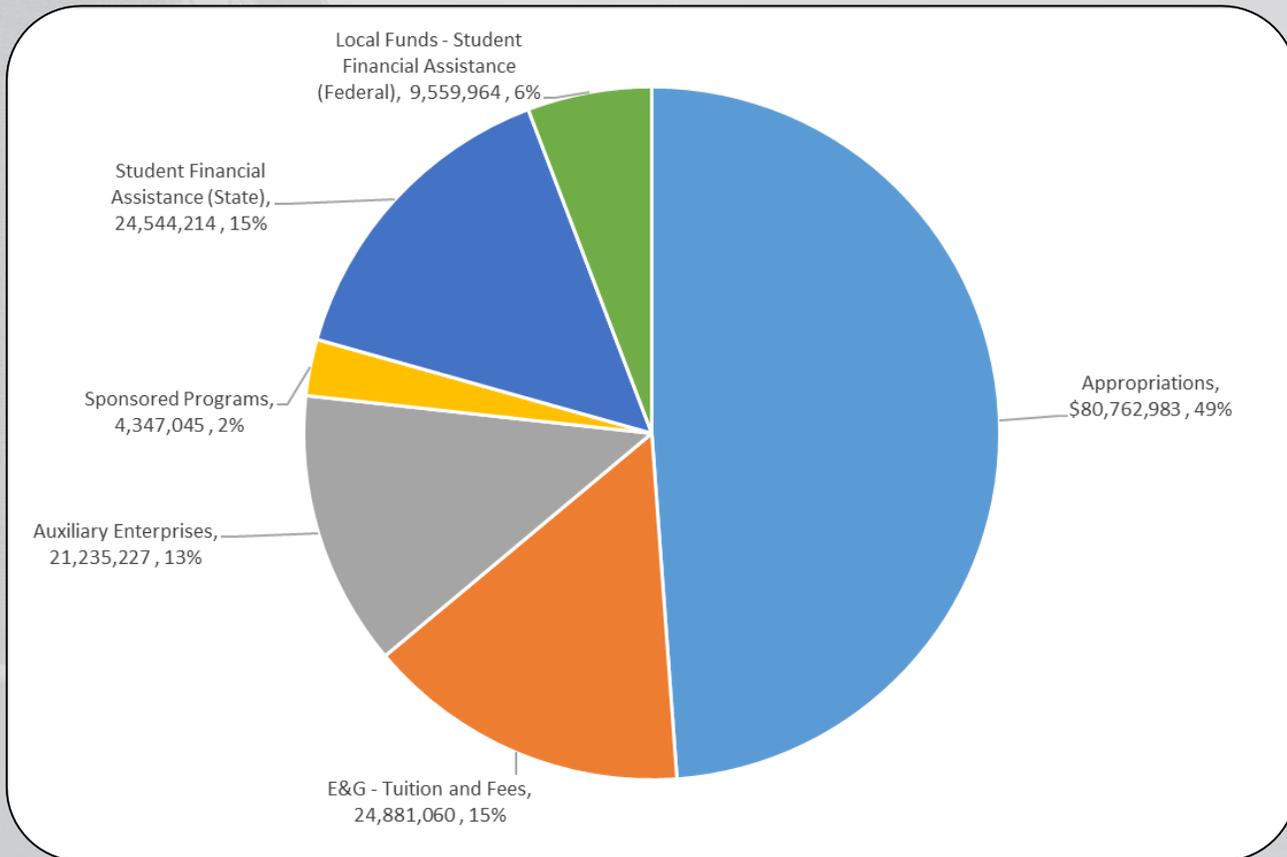
<u>Revenues</u>	<u>Authorized Budget</u>	<u>Actuals</u>	<u>% of Budget Collected</u>	<u>Year-end Projection</u>
Appropriations	\$ 69,759	\$ 80,763	116%	\$ 80,763
In-State Tuition Affordability	10,000	-	0%	10,000
FY22 Carry-forward	1,285	18,510	0%	18,510
E&G (Tuition and Fees)	48,579	24,882	51%	51,245
Auxiliary Enterprises	56,247	21,235	38%	57,207
Sponsored Programs	20,232	4,347	21%	20,232
Student Financial Assistance	23,294	24,544	105%	24,544
Local Funds	17,000	9,560	56%	17,000
<b>Total Revenues</b>	<b>\$ 246,396</b>	<b>\$ 183,841</b>	<b>75%</b>	<b>\$ 279,501</b>

<u>Expenses</u>	<u>Authorized Budget</u>	<u>Actuals</u>	<u>% of Budget Spent</u>	<u>Year-end Projection</u>
Instruction	\$ 56,816	\$ 11,732	21%	\$ 56,816
Research	884	209	24%	884
Public Service	642	125	19%	642
Academic Support	16,054	3,475	22%	16,054
Student Services	7,331	1,775	24%	7,331
Institutional Support	27,583	9,730	35%	27,583
Ops and Maintenance	15,180	3,247	21%	15,180
Student Financial Assistance	28,427	15,769	55%	28,427
Sponsored Programs	20,232	17,900	88%	20,232
Auxiliary Enterprises	55,871	9,733	17%	57,207
Local Funds	17,000	9,619	57%	17,000
<b>Total Expenses</b>	<b>\$ 246,020</b>	<b>\$ 83,314</b>	<b>34%</b>	<b>\$ 247,356</b>
<b>Revenue Over Expenses</b>	<b>\$ 376</b>	<b>\$ 100,527</b>		<b>\$ 32,145</b>



# SOURCE OF FUNDS

Actuals through September 30, 2022

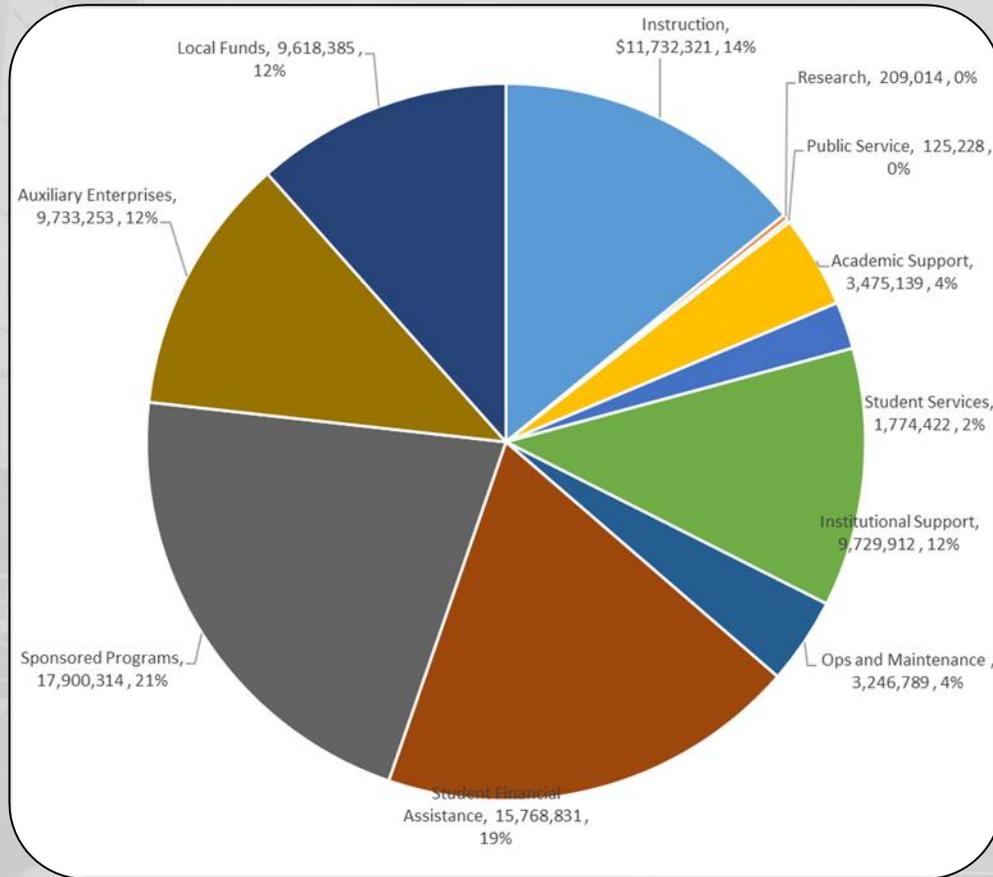


## Revenues

	Actuals
Appropriations	\$ 80,762,983
E&G - Tuition and Fees	24,881,060
Auxiliary Enterprises	21,235,227
Sponsored Programs	4,347,045
Student Financial Assistance (State)	24,544,214
Local Funds - Student Financial Assistance (Federal)	9,559,964
<b>Total Revenues</b>	<b>\$ 183,840,586</b>

# USES OF FUNDS

Actuals as of September 30, 2022



## Expenses

Expenses	Actuals
Instruction	\$ 11,732,321
Research	209,014
Public Service	125,228
Academic Support	3,475,139
Student Services	1,774,422
Institutional Support	9,729,912
Ops and Maintenance	3,246,789
Student Financial Assistance	15,768,831
Sponsored Programs	17,900,314
Auxiliary Enterprises	9,733,253
Local Funds	9,618,385
<b>Total Expenses</b>	<b>\$ 83,313,608</b>

# ARMICS - NSU UPDATES

## Agency Risk Management and Internal Control Standards

- Annual assessment was conducted to provide *reasonable assurance* of the integrity of fiscal processes related to the submission of transactions to the Commonwealth's general ledger, submission of financial statement directive materials, compliance with laws and regulations, and stewardship over the Commonwealth's assets.
- NSU certified on September 29, 2022, to the Department of Accounts (DOA) that it can provide reasonable assurance as to the internal control over the recording of financial reporting requirements, compliance with laws and stewardship with respect to operational effectiveness over assets.
- No significant weaknesses were identified that required reporting to DOA.

# SAIL Update

## *Spartan All-Inclusive Learning*

Course material model that reduces the cost of materials for students and ensures students have **ALL** course materials prior to the first day of class. Instead of students purchasing materials *a la carte*, the cost is included in their tuition or as a charge. The NSU Bookstore provides each student with a convenient package for physical books and digital materials delivered directly to the Learning Management System (LMS).

- Gross Sales Approximately \$2 Million\*
- Commission Approximately \$220 Thousand\*

\*As of September 30, 2022

# Clery Report Update

## THE ANNUAL SECURITY REPORT (ASR)

- Publication mandated by the *Clery Act* that institutions of higher education must publish and distribute by the required deadline (October 1) annually.
- It serves as a reflection of an institution's current existing policies and procedures.
- It requires different elements to convey that information.

## STATEMENT OF POLICY

- Procedures for students and others to report criminal actions or other emergencies
- Security of and access to campus facilities and security considerations
- Campus law enforcement (enforcement authority; jurisdiction; accurate and prompt reporting; voluntary, and confidential (counselors))
- Possession, use, sale, and enforcement – alcohol & drugs
- Dating violence, domestic violence, sexual assault and stalking (DVSAS) prevention, response, and disciplinary procedures
- Emergency response and evacuation
- Missing student notification

# Clery Report Update (Continued)

## KEY THINGS COVERED IN THE ASR

- Criminal Offenses
- Hate Crimes
- VAWA (Violence Against Women Act) Offenses
- Arrests & Referrals for Weapons, Liquor, and Drug Law Violations

## THE IMPORTANCE OF THE ASR

- Under the Clery Act, institutions are required to disclose information about certain crimes. It is enforced by the United States Department of Education, and institutions that do not comply could face a fine in excess of \$59,000 per incident.
- The annual security report provides students and their families, as higher education consumers, and university constitutes with accurate, complete, and timely information about safety on campus so that individuals can make informed decisions.

# Clery Report Update (Continued)

**Crime Statistics**  
Norfolk State University  
Main Campus  
Norfolk, Virginia 23504

CLERY CRIMES	On Campus			On-Campus Residence			Non-Campus			Public Property			Total			Unfounded
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021
Murder & Non-negligent / Manslaughter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Negligent Manslaughter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rape	6	1	4	5	1	2	0	0	0	3	0	9	9	1	13	0
Fondling	0	3	5	0	3	2	0	0	0	1	0	0	1	3	5	0
Incest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statutory Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Robbery	0	3	4	0	1	0	0	0	0	0	0	1	0	3	5	0
Aggravated Assault	0	1	0	0	1	0	0	0	0	1	0	0	2	0	0	0
Burglary	0	0	12	0	0	12	0	0	0	0	0	0	0	0	12	0
Motor Vehicle Theft	1	1	3	0	0	0	0	0	0	1	0	1	2	1	4	0
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

VAWA OFFENSES																
Domestic Violence	1	4	2	1	0	2	0	0	0	4	4	1	5	4	3	0
Stalking	0	0	2	0	0	0	0	0	0	0	0	1	0	0	3	0
Dating Violence	0	2	14	0	1	12	0	0	0	0	1	2	0	3	16	0

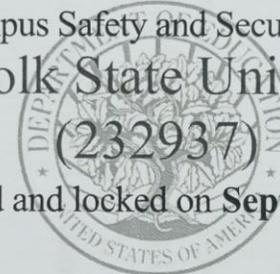
ARRESTS																
Liquor Law Violations	0	1	5	0	1	1	0	1	0	0	1	1	0	1	6	0
Drugs Violations	0	2	7	0	0	3	0	0	2	1	1	1	1	3	10	0
Weapon Violations	1	2	5	1	0	1	0	0	0	1	2	0	2	2	5	0

DISCIPLINARY REFERRALS																
Liquor Law Violations	19	29	35	13	19	18	0	0	0	11	0	1	30	29	36	0
Drugs Violations	25	63	49	18	47	31	0	0	1	16	1	9	41	64	59	0
Weapon Violations	5	0	7	0	0	2	0	0	0	1	2	0	6	2	7	0

## Campus Safety and Security Survey Completion Certificate

The Campus Safety and Security data for  
Norfolk State University



were completed and locked on **September 29, 2022.**

Thank you for your participation in the 2022 data collection.

This certificate was prepared on **September 29, 2022**

# Legislative Affairs Update





# NORFOLK STATE UNIVERSITY

700 Park Avenue | Norfolk, VA 23504

[www.nsu.edu](http://www.nsu.edu)



**BOV Strategic Finance Committee**

**Division of  
Operations**

**Dr. Justin L. Moses**

**Vice President for Operations &**

**Chief Strategist for Institutional**

**Effectiveness**



**NORFOLK STATE  
UNIVERSITY**



# Human Resources

- Cardinal System Update
- Training Underway for Electronic Personnel Actions

# Information Technology

- Spartan Innovation Academy – Student Distribution Complete for Fall semester
- Network Infrastructure Improvement Planning



# Information Security

## Incident Response Policy

- Addresses the scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance required to establish an acceptable level of incident response security controls at Norfolk State University. This includes, but is not limited to, any regulatory requirements that Norfolk State University is subject to, incident response best practices, and the requirements defined in this policy. The Incident Response Policy provides a consistent and effective approach to the management of information security incidents. It provides a framework by which NSU shall determine the scope and risk of an information security incident, respond appropriately to that incident, communicate the results and risks to all stakeholders, and reduce the likelihood of an incident from occurring or reoccurring.
- Meets the control requirements outlined in Commonwealth of Virginia (COV) Information Technology Resource Management (ITRM) Information Security Policy SEC519 and Security Standard SEC501, Section 8.8 Incident Response Family, Controls IR-1 through IR-8, to include specific requirements for the Commonwealth of Virginia.



**UNIVERSITY INFORMATION SECURITY POLICY (UISP)  
BOV UISP #09 (2022) Incident Response Policy**

**Policy Title:** Incident Response Policy

**Policy Type:** Board of Visitors

**Policy Number:** BOV UISP #09 (2022)

**Approval Date:** **Month, Day, Year**

**Responsible Office:** Office of Information Technology (OIT)

**Responsible Executive:** Vice President for Operations and Chief Strategist for Institutional Effectiveness

**Applies to:** All Norfolk State University (NSU) employees (classified, hourly, official representatives, and third-party vendors)

**POLICY STATEMENT**

The Incident Response policy addresses the scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance required to establish an acceptable level of incident response security controls at Norfolk State University. This includes, but is not limited to, any regulatory requirements that Norfolk State University is subject to, incident response best practices, and the requirements defined in this policy. The Incident Response Policy provides a consistent and effective approach to the management of information security incidents. It provides a framework by which NSU shall determine the scope and risk of an information security incident, respond appropriately to that incident, communicate the results and risks to all stakeholders, and reduce the likelihood of an incident from occurring or reoccurring.

This policy also meets the control requirements outlined in Commonwealth of Virginia (COV) Information Technology Resource Management (ITRM) Information Security Policy SEC519 and Security Standard SEC501, Section 8.8 Incident Response Family, Controls IR-1 through IR-8, to include specific requirements for the Commonwealth of Virginia.

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## UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #09 (2022) Incident Response Policy

### DEFINITIONS

**Chief Information Officer (CIO):** Oversees the operation of NSU Information Technologies. Responsible for policies, procedures, and standards for assessing security risks, determining the appropriate security measures, and performing security audits.

**Information Security Incident:** A violation or imminent threat of violation of information security policies, acceptable use policies, or standard security practices.

**Data Custodian:** Individuals or organizations in physical or logical possession of data for Data Owners. Data Custodians are responsible for protecting the data in their possession from unauthorized access, alteration, destruction, or usage.

**Data Owner:** The agency manager responsible for decisions regarding data and is responsible for evaluating and classifying sensitivity of the data, and any legal or regulatory requirements, and business needs.

**Director of IT Security (DIS):** The senior management designated by the CIO of NSU to develop Information Security policies, procedures, and standards to protect the confidentiality, integrity, and availability of information systems and data.

**Encryption:** The process or the means of converting original data to an unintelligible form so it cannot be read by unauthorized users.

**Intrusion Detection Systems (IDS):** An IPS detects an attack on a network or computer system. It uses signatures of known attack attempts to signal an alert. It also looks at deviations from the normal routine as indicators of an attack.

**Intrusion Prevention Systems (IPS):** An IPS prevents an attack on a network or computer system. It stops the attack from damaging or retrieving data and can block attacks in real time.

**Keystroke Logging:** Referred to as keylogging or keyboard capturing, it is the action of recording the keys struck on a keyboard, typically covertly, so that the person using the keyboard is unaware that their actions are being monitored.

**Office of Information Technology (OIT):** The Office of Information Technology (OIT) manages the administrative and academic information technology resources for Norfolk State University.

**Personally Identifiable Information (PII):** Information that can be used to distinguish or trace an individual's identity, either alone or when combined with other information that is linked or linkable to a specific individual.

**Sensitive Data:** Any data of which the compromise, with respect to confidentiality, integrity, and/or availability, could adversely affect NSU interests, the conduct of NSU programs, or the privacy to which individuals are entitled.



## **UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #09 (2022) Incident Response Policy**

### **CONTACT(S)**

The Office of Information Technology officially interprets this policy. The Chief Information Officer is responsible for obtaining approval for any revisions as required by BOV Policy #1 (2014) *Creating and Maintaining Policies* through the appropriate governance structures. Questions regarding this policy should be directed to the Office of Information Technology.

### **STAKEHOLDER(S)**

All NSU Faculty, Staff, Students, & Community

### **INCIDENT RESPONSE POLICY**

OIT will review and update the Incident Response policy annually or more frequently if required to address changes.

#### **A. INCIDENT RESPONSE**

1. The Director of IT Security (DIS) shall or shall require its service provider document and implement threat detection practices that at a minimum include the following:
  - a. Designates an individual responsible for threat detection program, including planning, development, acquisition, implementation, testing, training, and maintenance.
  - b. Implements Intrusion Detection System (IDS) and Intrusion Prevention System (IPS).
  - c. Conducts IDS and IPS log reviews to detect new attack patterns as quickly as possible.
  - d. Develops and implements required mitigation measures based on the results of IDS and IPS log reviews.
2. The DIS shall or shall require its service provider document and implement information security monitoring and logging practices that, at a minimum, include the following:
  - a. Designation of individuals responsible for the development and implementation of information security logging capabilities, as well as detailed procedures for reviewing and administering the logs.
  - b. Standards that specify the type of actions an IT system should take when a suspicious or apparent malicious activity occurs.

**UNIVERSITY INFORMATION SECURITY POLICY (UISP)**  
**BOV UISP #09 (2022) Incident Response Policy**

- c. Prohibits the installation or use of unauthorized monitoring devices.
  - d. Prohibits the use of keystroke logging, except when required for security investigations and a documented business case outlining the need and residual risk has been approved in writing by the Agency Head (or designee).
3. The DIS or designee shall document information security incident handling practices and shall incorporate its service provider's procedures for incident handling practices that, at a minimum, include the following:
- a. Designation of an Information Security Incident Response Team that includes personnel with appropriate expertise for responding to cyber-attacks.
  - b. Controls to deter and defend against cyber-attacks to best minimize loss or theft of information and disruption of services.
  - c. Proactive measures based on cyber-attacks to defend against new forms of cyber-attacks and zero-day exploits.
  - d. Information security incident categorization and prioritization based on the immediate and potential adverse effect of the information security incident and the sensitivity of affected IT systems and data.

**B. INCIDENT RESPONSE TRAINING**

1. The DIS or designee shall provide incident response training to users consistent with assigned roles and responsibilities:
- a. After being assigned an incident response role or responsibilities.
  - b. When required by information system changes.
  - c. On an annual basis or more frequently if required to address an environmental change thereafter.

**C. INCIDENT RESPONSE TESTING AND EXERCISES**

1. The DIS or designee shall test and/or exercise the incident response capability on an annual basis or more frequently if required to address an environmental change using

## **UNIVERSITY INFORMATION SECURITY POLICY (UISP)**

### **BOV UISP #09 (2022) Incident Response Policy**

organization-defined tests to determine the incident response effectiveness and document the results.

2. The DIS or designee shall coordinate incident response testing with organizational elements responsible for related plans (i.e., Business Continuity Plans, Contingency Plans, Disaster Recovery Plans, Continuity of Operations Plans, etc.).

#### **D. INCIDENT HANDLING**

1. The DIS or designee shall:
  - a. Implement an incident handling capability for security incidents that includes preparation, detection and analysis, containment, eradication, and recovery.
  - b. Coordinate incident handling activities with contingency planning activities.
  - c. Incorporate lessons learned from ongoing incident handling activities into incident response procedures, training, and testing/exercises, and implement the resulting changes accordingly.
  - d. Implement and coordinate incident handling capability for insider threats across all sensitive components or elements of the organization.
  - e. Correlate incident information and individual incident responses to achieve an NSU-wide perspective on incident awareness and response.
  - f. Identify immediate mitigation procedures, including specific instructions, based on information security incident categorization level, on whether or not to shut down or disconnect affected IT systems.
  - g. Establish procedures for information security incident investigation, preservation of evidence, and forensic analysis.
2. The DIS shall adhere to the following requirements where electronic records or IT infrastructure are involved. Also, where non-electronic records are involved or implied, the following are advisory in nature, but are strongly recommended:
  - a. Identify and document all NSU systems, processes, and logical or physical data storage locations (whether held by NSU or a third party) that contain personal or medical information.
    - i. Personal information means the first name or first initial with the last name in combination with and linked to any one or more of the

## **UNIVERSITY INFORMATION SECURITY POLICY (UISP)** **BOV UISP #09 (2022) Incident Response Policy**

following data elements that relate to a resident of the Commonwealth of Virginia (COV) when the data elements are neither encrypted nor redacted:

1. Social security number.
  2. Driver's license number or state identification card number issued in lieu of a driver's license number.
  3. Financial account number, or credit card or debit card number, combined with any required security code, access code, or password that would permit access to a resident's financial accounts.
- ii. Medical information means the first name or first initial with the last name in combination with and linked to any one or more of the following data elements that relate to a resident of the Commonwealth when the data elements are neither encrypted nor redacted:
1. Any information regarding an individual's medical or mental health history, mental or physical condition, or medical treatment or diagnosis by a health care professional.
  2. An individual's health insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the individual, or any information in an individual's application and claims history, including any appeals records.
- b. "Redact" for personal information means alteration or truncation of data such that no more than the following are accessible as part of the personal information:
- i. Five digits of a social security number.
  - ii. The last four digits of a driver's license number, state identification card number, or account number.
- c. "Redact" for medical information means alteration or truncation of data such that no information regarding the following is accessible as part of the medical information:
- i. An individual's medical history.

**UNIVERSITY INFORMATION SECURITY POLICY (UISP)**  
**BOV UISP #09 (2022) Incident Response Policy**

- ii. Mental or physical condition.
  - iii. Medical treatment or diagnosis.
  - iv. No more than four digits of a health insurance policy number, subscriber number.
  - v. Other unique identifiers.
- d. Include provisions in any third-party contracts requiring that the third party and third-party subcontractors:
- i. Provide immediate notification to NSU of suspected breaches.
  - ii. Allow NSU to both participate in the investigation of incidents and exercise control over decisions regarding external reporting.
- e. Provide appropriate notice to affected individuals upon the unauthorized release of unencrypted and/or un-redacted personal information or medical information by any mechanism, including, but not limited to:
- i. Theft or loss of digital media, including laptops, desktops, tablets, CDs, DVDs, tapes, USB drives, SD cards, etc.
  - ii. Theft or loss of physical hardcopy.
  - iii. Security compromise of any system containing personal or medical information (i.e., social security numbers, credit card numbers, medical records, insurance policy numbers, laboratory findings, pharmaceutical regimens, medical or mental diagnosis, medical claims history, medical appeals records, etc.).
- f. NSU shall disclose the breach of the system's security if encrypted information is accessed and acquired in an unencrypted form, or if the security breach involves a person with access to the encryption key.
- g. If a Data Custodian is the entity involved in the data breach, they must alert the Data Owner so that the Data Owner can notify the affected individuals.

**UNIVERSITY INFORMATION SECURITY POLICY (UISP)**  
**BOV UISP #09 (2022) Incident Response Policy**

- h. In the case of a computer (i.e., public kiosk, individually owned, or NSU resource) found to be infected with malware that exposes data to unauthorized access, individuals that may have had their information exposed due to use of that computer must be alerted in accordance with data breach rules. NSU shall notify the CIO when notification of affected individuals has been completed.
- i. Provide notification that consists of:
  - i. A general description of what occurred and when.
  - ii. The type of Personally Identifiable Information (PII) that was involved.
  - iii. What actions have been taken to protect the individual's personal information from further unauthorized access.
  - iv. A telephone number that the person may call for further information and assistance if one exists.
  - v. What actions NSU recommends that the individual take. The actions recommended should include monitoring their credit report and reviewing their account statements (i.e., credit report, medical insurance Explanation of Benefits (EOB), etc.).
- j. Provide this notification by one or more of the following methodologies:
  - i. Electronic notice.
  - ii. Written notice to the last known postal address in the records of the individual or entity.
  - iii. Telephone Notice.
  - iv. Substitute Notice - under certain circumstance substitute notices will be allowed pursuant to ITRM Information Security Standard (SEC501), Section 8, Incident Response Handling (Pg. 96).
- k. NSU shall provide this notice without undue delay as soon as verification of the unauthorized release is confirmed, except as delineated below.
  - i. Hold the release of notification immediately following verification of unauthorized data disclosure only if law enforcement is notified and



## **UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #09 (2022) Incident Response Policy**

determines and advises NSU that the notice would impede a criminal or civil investigation, or homeland security or national security. Notice shall be made without unreasonable delay after NSU determines that the notification will no longer impede the investigation or jeopardize national or homeland security.

### **E. INCIDENT MONITORING**

1. The DIS or designee shall track and document information system security incidents.
2. The DIS shall monitor IT system event logs in real-time, correlate the information with other automated tools, identify suspicious activities, and provide alert notifications.

### **F. INCIDENT REPORTING**

1. The DIS or designee shall:
  - a. Require personnel to report suspected security incidents to OIT Security within 24 hours from when the occurrence was discovered or should have been discovered.
  - b. Report security incident information to designated authorities (The types of security incidents reported, the content and timeliness of the reports, and the list of designated reporting authorities are consistent with applicable laws, directives, policies, regulations, standards, and guidance).
  - c. Report information system weaknesses, deficiencies, and/or vulnerabilities associated with reported security incidents to appropriate NSU officials.
  - d. Provide quarterly summary reports of IDS and IPS events to Commonwealth Security.
  - e. Establish a process for reporting IT security incidents to the DIS. All NSU customers and partners are encouraged to report all information security incidents.
  - f. Report information security incidents only through channels that have not been compromised.

**UNIVERSITY INFORMATION SECURITY POLICY (UISP)**  
**BOV UISP #09 (2022) Incident Response Policy**

**G. INCIDENT RESPONSE ASSISTANCE**

1. The DIS or designee shall provide incident response support resources, integral to OIT's incident response capability, which offers advice and assistance to users of the information system to handle and report security incidents.
2. The DIS or designee shall:
  - a. Establish a direct, cooperative relationship between its incident response capability and external providers of information system protection capability.
  - b. Identify NSU incident response team members to the external providers.

**H. INCIDENT RESPONSE PLAN**

1. The DIS or designee shall:
  - a. Develop an incident response plan that:
    - i. Provides NSU with a roadmap for implementing its incident response capability.
    - ii. Describes the structure and organization of the incident response capability.
    - iii. Provides a high-level approach for how the incident response capability fits into NSU.
    - iv. Meets the unique requirements of NSU, which relate to mission, size, structure, and functions.
    - v. Defines reportable incidents.
    - vi. Provides metrics for measuring the incident response capability within NSU.
    - vii. Defines the resources and management support needed to maintain and mature an incident response capability effectively.
    - viii. Is reviewed and approved by designated officials within NSU.

## **UNIVERSITY INFORMATION SECURITY POLICY (UISP)**

### **BOV UISP #09 (2022) Incident Response Policy**

- b. Distribute copies of the incident response plan to NSU-defined list of incident response personnel (identified by name and/or by role) and appropriate elements.
- c. Review the incident response plan at least once a year.
- d. Updates the incident response plan to address system/NSU changes or problems encountered during plan implementation, execution, or testing.
- e. Communicate incident response plan changes to the NSU-defined list of incident response personnel (identified by name and/or by role) and NSU elements.
- f. Protects the incident response plan from unauthorized disclosure and modification.

## **EDUCATION AND COMPLIANCE**

### **A. SECURITY POLICY TRAINING**

Security policy training is intended to educate NSU employees who have a role in IT system security and to help foster an understanding of how NSU security policies protect the University employees, students, systems, and data.

1. NSU employees, who manage, administer, operate, or design IT systems, must receive role-based security training commensurate with their role. Personnel with assigned security roles and responsibilities will be trained:
  - a. Before authorizing access to the information system or performing assigned duties.
  - b. When required by policy changes.
  - c. As practical and necessary thereafter.
2. OIT will educate and train all stakeholders and appropriate audiences on the policy's content using virtual or face-to-face engagements.

### **B. POLICY COMPLIANCE AND VIOLATIONS**

1. OIT measures compliance with information security policies and standards through processes that include but are not limited to monitoring and audits.

## **UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #09 (2022) Incident Response Policy**

2. Violations of this policy will be addressed in accordance with relevant NSU and Commonwealth of Virginia policies, including NSU Policy 32-01 and Department of Human Resources Management Policy 1.75. The appropriate level of disciplinary action will be determined individually by the appropriate executive or designee.

### **PUBLICATION**

This policy shall be widely published and distributed to the NSU community. To ensure timely publication and distribution thereof, the Responsible Office will make every effort to:

1. Communicate the policy in writing, electronic or otherwise, to the NSU community within 14 days of approval.
2. Submit the policy for inclusion in the online Policy Library within 14 days of approval.
3. Educate and train all stakeholders and appropriate audiences on the policy's content, as necessary. Failure to meet the publication requirements does not invalidate this policy.

### **REVIEW SCHEDULE**

- Next Scheduled Review: Month, Day, Year
- Approval by, date: Month, Day, Year
- Revision History: *New Policy*
- Supersedes policies: *New Policy*

### **RELATED DOCUMENTS**

1. ITRM Information Security Policy (SEC519): <https://www.vita.virginia.gov/it-governance/itrm-policies-standards/>
2. ITRM Information Security Standard (SEC501): <https://www.vita.virginia.gov/it-governance/itrm-policies-standards/>
3. ITRM Information Security Standard (SEC514): <https://www.vita.virginia.gov/it-governance/itrm-policies-standards/>
4. Virginia Department of Human Resources Management Policy 1.75, Use of Electronic Communications and Social Media: <https://hr.dmas.virginia.gov/media/1243/dhrm-policy-175-use-of-electronics-and-social-media.pdf>

# Information Security

## Risk Assessment Policy

- Addresses the scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance required to establish an acceptable level of risk assessment controls at Norfolk State University. This policy includes, but is not limited to, any regulatory requirements that Norfolk State University is subject to, risk assessment best practices, and the requirements defined in this policy. The Risk Assessment Policy provides a foundation for identifying risk, assessing risk, and the steps to take to reduce risk to an acceptable level within IT systems. Risk Assessments account for information technology (IT) threats, vulnerabilities, likelihoods, and impact to operations and assets, individuals, and other partnering organizations, based on the use of NSU's information systems. Effective implementation of risk management is a critical component of a successful IT security program. Therefore, NSU must exercise due care and diligence in the implementation and operation of IT systems.
- Meets the control requirements outlined in Commonwealth of Virginia (COV) Information Technology Resource Management (ITRM) Information Security Policy SEC519 and Security Standard SEC501, Section 8.14 Risk Assessment Family, Controls RA-1, RA-2, RA-3, RA-5.



**UNIVERSITY INFORMATION SECURITY POLICY (UISP)  
BOV UISP #07 (2022) Risk Assessment Policy**

**Policy Title:** Risk Assessment Policy

**Policy Type:** Board of Visitors

**Policy Number:** BOV UISP #07 (2022)

**Approval Date:** **Month, Day, Year**

**Responsible Office:** Office of Information Technology (OIT)

**Responsible Executive:** Vice President for Operations and Chief Strategist for Institutional Effectiveness

**Applies to:** All Norfolk State University (NSU) employees (classified, hourly, official representatives, and third-party vendors)

**POLICY STATEMENT**

The Risk Assessment Policy addresses the scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance required to establish an acceptable level of risk assessment controls at Norfolk State University. This policy includes, but is not limited to, any regulatory requirements that Norfolk State University is subject to, risk assessment best practices, and the requirements defined in this policy. The Risk Assessment Policy provides a foundation for identifying risk, assessing risk, and the steps to take to reduce risk to an acceptable level within IT systems. Risk Assessments account for information technology (IT) threats, vulnerabilities, likelihoods, and impact to operations and assets, individuals, and other partnering organizations, based on the use of NSU’s information systems. Effective implementation of risk management is a critical component of a successful IT security program. Therefore, NSU must exercise due care and diligence in the implementation and operation of IT systems.

This policy also meets the control requirements outlined in Commonwealth of Virginia (COV) Information Technology Resource Management (ITRM) Information Security Policy SEC519 and Security Standard SEC501, Section 8.14 Risk Assessment Family, Controls RA-1, RA-2, RA-3, RA-5.

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## UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #07 (2022) Risk Assessment Policy

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### DEFINITIONS

**Chief Information Officer (CIO):** Oversees the operation of NSU Information Technologies. Responsible for policies, procedures, and standards for assessing security risks, determining the appropriate security measures, and performing security audits.

**Director of IT Security (DIS):** The senior management designated by the CIO of NSU to develop Information Security policies, procedures, and standards to protect the confidentiality, integrity, and availability of information systems and data.

**Information Security Officer (ISO):** The individual designated by the Agency Head to be responsible for the development, implementation, oversight, and maintenance of the agency's information security program.

**Information Technology (IT):** Resources include but are not limited to computers and terminals, software, printers, networks and equipment, telecommunication equipment and services such as telephones, facsimile machines, modems, basic and long-distance calling service and voicemail, television and radio systems and equipment, computer information systems, data files and/or documents managed or maintained by the University which reside on disk, tape, or other media.

**Office of Information Technology (OIT):** OIT manages the administrative and academic information technology resources for Norfolk State University.

**Platform Enumeration:** A naming scheme for describing and identifying classes of information technology systems, such as applications, operating systems, and hardware devices present among an organization's computing assets.

**Risk:** A function of the likelihood of a given threat source's exercising a particular potential vulnerability and the resulting impact of that adverse event on the organization. Risk is the net negative impact of the exercise of a vulnerability, considering both the probability and the impact of occurrence.



## UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #07 (2022) Risk Assessment Policy

**Risk Assessment:** The process of identifying and evaluating risks to assess their potential impact. A review, examination, and judgment of whether or not the identified risks are acceptable.

**System Owner:** An agency manager responsible for the overall procurement, training, development, integration, modification, operation, maintenance, retirement, and risk and compliance of an information system.

### CONTACT(S)

The Office of Information Technology (OIT) officially interprets this policy. The Chief Information Officer is responsible for obtaining approval for any revisions as required by BOV Policy #1 (2014), *Creating and Maintaining Policies* through the appropriate governance structures. Questions regarding this policy should be directed to the Office of Information Technology.

### STAKEHOLDER(S)

All NSU Faculty, Staff, Students, & Community

### RISK ASSESSMENT POLICY

OIT will review and update the Risk Assessment Policy on an annual basis or more frequently if required to address changes.

#### A. SECURITY CATEGORIAZATION

1. The ISO or designee shall:
  - a. Categorize information and the information system in accordance with applicable Commonwealth laws, Executive Orders, directives, policies, regulations, standards, and guidance.
  - b. Document the security categorization results in the security plan for the information system.
  - c. Ensure that the security categorization decision is reviewed and approved by the authorizing official or authorized official designated representative.



## **UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #07 (2022) Risk Assessment Policy**

### **B. RISK ASSESSMENT**

1. The ISO or designee shall:
  - a. Conduct an assessment of risk, including the likelihood and magnitude of harm, from the unauthorized access, use, disclosure, disruption, modification, or destruction of the information system and the information it processes, stores, or transmits.
  - b. Document risk assessment results in a Risk Assessment Report.
  - c. Review risk assessment results annually or more frequently if required to address an environmental change.
  - d. Disseminate risk assessment results to the appropriate organization-defined personnel.
  - e. Update the risk assessment on an annual basis or whenever there are significant changes to the information system or environment of operation (including the identification of new threats and vulnerabilities) or other conditions that may impact the state of the security system.

### **C. VULNERABILITY SCANNING**

1. The DIS or designee shall:
  - a. Scan for vulnerabilities in the information system and host applications at least once every 90-days for publicly facing systems and when new vulnerabilities potentially affecting the system/applications are identified and reported.
  - b. Employ vulnerability scanning tools and techniques that facilitate interoperability among tools and automate parts of the vulnerability management process by using standards for:
    - i. Enumerating platforms, software flaws, and improper configurations.
    - ii. Formatting checklists and test procedures.
    - iii. Measuring vulnerability impact.



## **UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #07 (2022) Risk Assessment Policy**

- c. Analyze vulnerability scan reports and results from security control assessments.
  - d. Remediate legitimate vulnerabilities within 90-days in accordance with an organizational assessment of risk.
  - e. Share information obtained from the vulnerability scanning process and security control assessments with the appropriate organization-defined personnel to help eliminate similar vulnerabilities in other information systems (i.e., systemic weaknesses or deficiencies).
  - f. Employ vulnerability scanning tools that can readily update the information system vulnerabilities to be scanned.
  - g. Update the information system vulnerabilities scanned at least once every 90-days.
  - h. Employ vulnerability scanning procedures to identify the breadth and depth of coverage (i.e., information system components scanned and vulnerabilities checked).
  - i. Determine what information about the information system is discoverable by adversaries and take appropriate corrective actions.
  - j. Review historic audit logs to determine if a vulnerability identified in the information system has been previously exploited.
2. The System Owner or designee shall ensure that the information system implements privileged access authorization to information system components for selected vulnerability scanning activities.

### **EDUCATION AND COMPLIANCE**

#### **A. SECURITY POLICY TRAINING**

Security policy training is intended to educate NSU employees who have a role in IT system security and to help foster an understanding of how NSU security policies protect the University employees, students, systems, and data.

1. NSU employees, who manage, administer, operate, or design IT systems, must receive role-based security training commensurate with their role. Therefore, personnel with assigned security roles and responsibilities will be trained:



## **UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #07 (2022) Risk Assessment Policy**

- a. Before authorizing access to the information system or performing assigned duties.
  - b. When required by policy changes.
  - c. As practical and necessary thereafter.
2. OIT will educate and train all stakeholders and appropriate audiences on the policy's content using virtual or face-to-face engagements.

### **B. POLICY COMPLIANCE AND VIOLATIONS**

1. OIT measures compliance with IT security policies and standards through processes that include, but are not limited to, monitoring and audits.
2. Violations of this policy will be addressed in accordance with relevant NSU and Commonwealth of Virginia policies, including NSU Policy 32-01 and Department of Human Resources Management Policy 1.75. The appropriate level of disciplinary action will be determined on an individual basis by the appropriate executive or designee.

### **PUBLICATION**

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### **REVIEW SCHEDULE**

- Next Scheduled Review: Month, Day, Year
- Approval by, date: Month, Day, Year



## UNIVERSITY INFORMATION SECURITY POLICY (UISP) BOV UISP #07 (2022) Risk Assessment Policy

- Revision History: *New Policy*
- Supersedes policies: *New Policy*

### RELATED DOCUMENTS

1. ADMINISTRATIVE POLICY # 32- 01 (2014) Acceptable Use of Technological Resources: <https://www.nsu.edu/policy/admin-32-01.aspx>.
2. ITRM Information Security Policy (SEC519): <https://www.vita.virginia.gov/it-governance/itrm-policies-standards/>
3. ITRM Information Security Standard (SEC501): <https://www.vita.virginia.gov/it-governance/itrm-policies-standards/>
4. ITRM Information Security Standard (SEC514): <https://www.vita.virginia.gov/it-governance/itrm-policies-standards/>
5. Virginia Department of Human Resources Management Policy 1.75, Use of Electronic Communications and Social Media: <https://hr.dmas.virginia.gov/media/1243/dhrm-policy-175-use-of-electronics-and-social-media.pdf>
6. Library of Virginia Personnel Records General Schedule (GS)-103 (Feb 2015): [https://www.lva.virginia.gov/agencies/records/sched\\_state/GS-103.pdf](https://www.lva.virginia.gov/agencies/records/sched_state/GS-103.pdf)



# NORFOLK STATE UNIVERSITY

700 Park Avenue | Norfolk, VA 23504

[www.nsu.edu](http://www.nsu.edu)



**BOV Strategic Finance Committee**

**Division of University  
Advancement**

**Clifford Porter, Jr., JD**

**Vice President**



# University Advancement

## Strategic Finance Committee Update November 2022

# Five Year Fundraising Projections

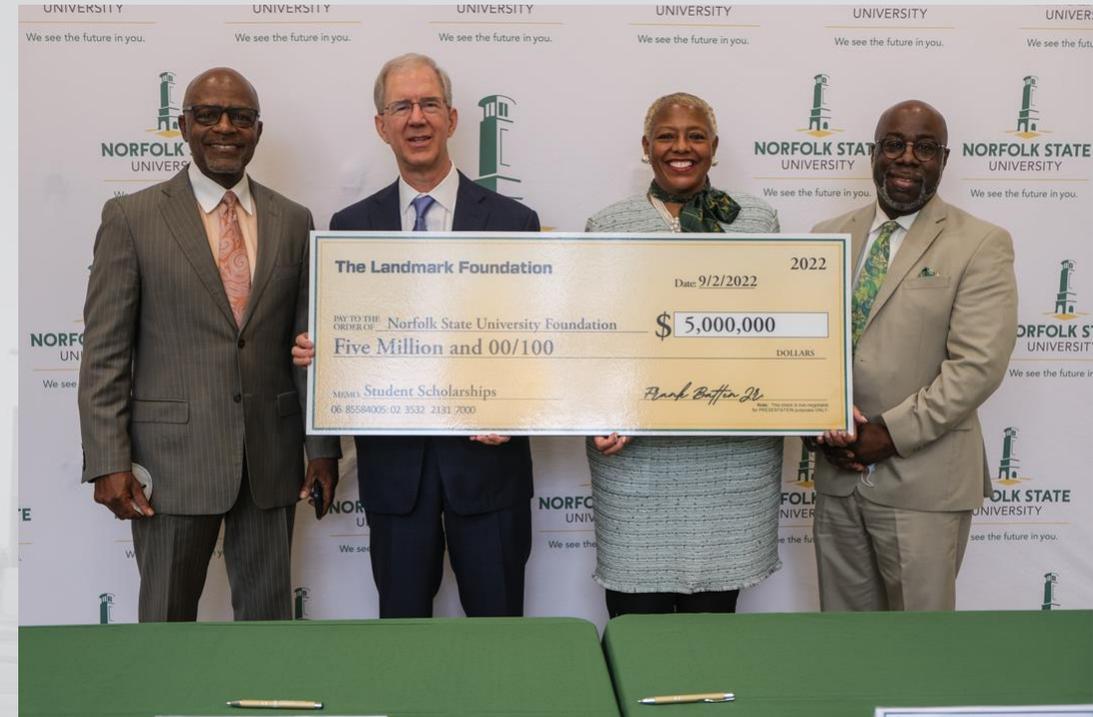
Baseline Avg.	CY 2022	CY 2023	CY 2024
<b>\$4.3M</b>			
<b>Major Gifts</b>	<b>\$3,000,000</b>	<b>\$3,350,000</b>	<b>\$3,520,000</b>
<b>Alumni/ Annual</b>	<b>\$1,800,000</b>	<b>\$1,950,000</b>	<b>\$2,000,000</b>
<b>Planned Giving</b>	<b>\$600,000</b>	<b>\$775,000</b>	<b>\$925,000</b>
<b>Foundations</b>	<b>\$900,000</b>	<b>\$1,000,000</b>	<b>\$1,555,000</b>
<b>Athletics/ NSUAF</b>	<b>\$800,000</b>	<b>\$975,000</b>	<b>\$1,000,000</b>
<b>Academics/NSURIF</b>	<b>\$800,000</b>	<b>\$975,000</b>	<b>\$1,000,000</b>
<b>Total</b>	<b>\$7,900,000</b>	<b>\$9,100,000</b>	<b>\$10,000,000</b>

# Fundraising Analysis

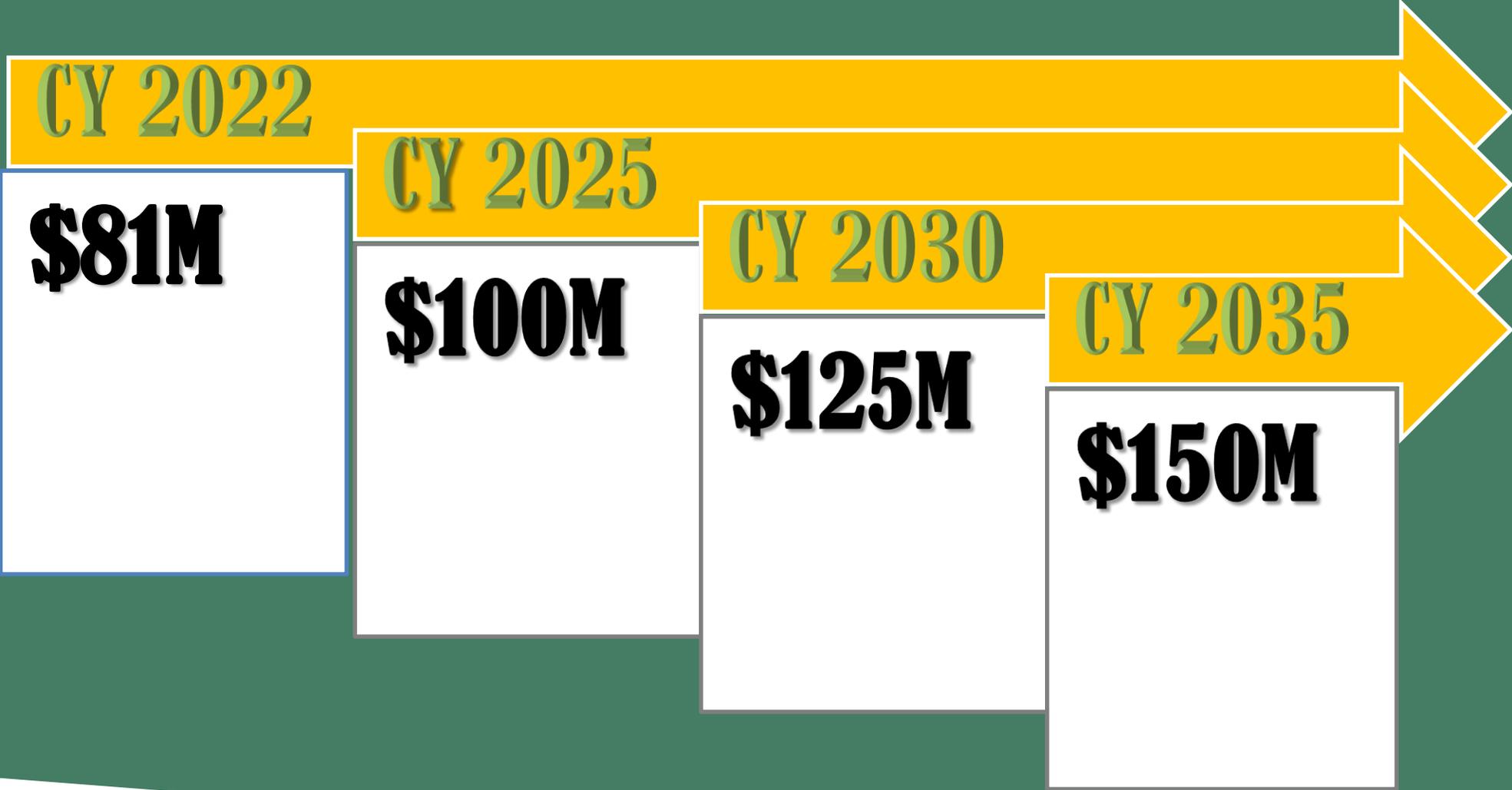
Calendar Year	Total Dollars Raised	Cash	Pledges	Planned Gifts	No. of Donors Overall	No. of Alumni Donors
CY 2017	\$4,428,520	\$3,512,204	\$564,688	\$351,628	4,052	2,277
CY 2018	\$7,003,612	\$3,673,537	\$1,346,770	\$1,983,305	5,092	3,007
CY 2019	\$4,697,371	\$3,829,699	\$470,737	\$396,935	4,539	2,688
CY 2020	\$45,838,417	\$43,127,142	\$2,711,275	-	3,846	2,547
CY2021	\$10,511,509	\$9,660,978	\$759,421	-	4,132	2,524
CY 2022	\$8,303,094	\$4,077,777	\$4,225,315		4,404	2,742

# Major & Leadership Gifts

- ✓ **Landmark Foundation- \$5,000,000**
- ✓ **Mr. & Mrs. Jim Squires- \$281,255**
- ✓ **Points Bet USA- \$250,000**
- ✓ **Gold Nugget Gaming \$100,000**
- ✓ **Dollar Tree- \$90,000**
- ✓ **Lockheed Martin- \$75,000**
- ✓ **Urban League of Hampton Roads- \$50,000**
- ✓ **African American Cultural Center- \$50,000**
- ✓ **Mr. Phil Thornton- \$50,000**



# Five Year Endowment Projections





# NOW IS OUR TIME

## Campaign for Norfolk State University

# Campaign for Norfolk State University

**\$75 Million  
2020-2025**

Areas of Greatest Need

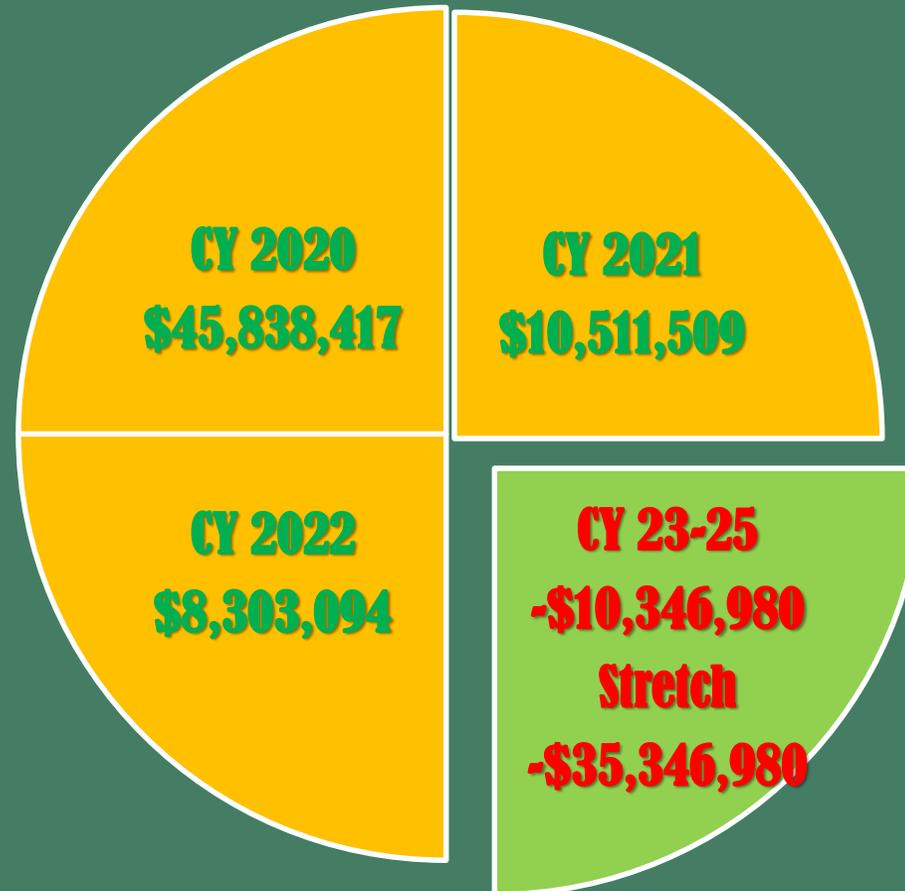
Athletic Competitiveness

Scholarship Support  
Endowment

Increasing Academic  
Excellence

# Campaign Progress

**\$64,653,020**



**Campaign Goal- \$75M**

**Campaign Stretch Goal \$100M**

# University Events & The Wilder Center

## Highlights from 2022 Fall Semester



# University Events Updates

- ❖ **Founders Day Celebratory Activities to include Freshman Convocation and Founders Day Breakfast**
- ❖ **Pharrell’s “Mighty Dream Connection” Reception**
- ❖ **Urban League and HBCU tutoring Partnership Announcement sponsored by Governor Glenn Youngkin**

# University Events Updates

- ✓ September 2022 Freshman Convocation – welcomed nearly 1,500 freshman
- ✓ Founders Day Breakfast with keynote speaker **Marc Lamont Hill**



# University Events Updates

✓ October 2022 hosted **Mighty Dream Connection Reception** with Grammy-award winning artist, **Pharrell Williams**



# University Events Updates

✓ November 2022 hosted **Urban League and HBCU tutoring Partnership Announcement** sponsored by **Governor Glenn Youngkin**



# COMMUNICATIONS and MARKETING

## WEB (10/13-11/7, 2022)

- Visits: 146,123
- Page Views: 362,792

### Top 3 Pages Visited

- Homepage
- Apply Online - Landing Page
- Academics - Landing Page

## SOCIAL MEDIA - Top Post (Video on Facebook)

The Norfolk State University Spartan Legion drumline performs during the opening of Pharrell's Mighty Dream event.

People reached	66,980
Engagements	5,218
Likes	845
Shares	256

## PARTNERSHIPS

Communications and Marketing hosted more than 100 Hampton Roads Black Media Professionals (HRBMP) for their 40<sup>th</sup> Anniversary Celebration Luncheon on Oct. 22 in the Student Center.





## Advertising

C&M heavily marketed the NSU **Return to Sparta! 2022 Homecoming** in print, radio, social media and television advertising. This year's ads pushed Game Day Protocols and the Clear Bag Policy. Other advertising in October included three large digital display signs in the **Norfolk Airport** and a digital marquee at the **Norfolk Waterside**.



Visit [www.nsu.edu/homecoming](http://www.nsu.edu/homecoming) for activities and details on event tickets and packages.

OCTOBER  
9-16  
2022



Norfolk State University is committed to a Culture of Care for all who come to our campus, and we look forward to you joining the Norfolk State University community for Homecoming 2022.

### Game Day Protocols

To provide a safer environment for the public and expedite fan entry into Dick Price Stadium, Norfolk State University has implemented a protocol that limits the size and type of bags that may be brought into the stadium. Exceptions to this protocol will be made for all medically necessary items after proper inspection.

Please get your tailgating wristband prior to approaching the tailgating area. Wristbands will not be available at the tailgating entrance.

In addition to these protocols, fans are encouraged to visit our website prior to attending games for ticket and parking information.



SCAN ME

*With your cooperation and participation, we look forward to one of the best-ever Homecomings at Norfolk State University!  
Behold the Green and Gold!®*



# NORFOLK STATE UNIVERSITY

700 Park Avenue | Norfolk, VA 23504

[www.nsu.edu](http://www.nsu.edu)



**V. Closed Meeting – Pursuant to §2.2-3711A.1, 4, 7 and 8, Code of Virginia**

**VI. Open Meeting**  
– Closed Meeting Certification

**VII. Adjournment**

# GOVERNANCE COMMITTEE

**AGENDA**  
**BOARD OF VISITORS**  
**GOVERNANCE COMMITTEE MEETING**

*Wednesday, November 16th, 2022*

*Dwayne Blake, Chair*

*Time 1:00 – 3:00 p.m.*

**Campus Location:**

Norfolk State University  
700 Park Avenue, Norfolk, VA 23504  
Student Center, Board Room, 3<sup>rd</sup> Fl., Suite 301

- I.** Call to Order/Establish Quorum
- II.** Recommend Approval of Electronic Participation
- III.** Recommend Approval of the August 30, 2022, Governance Committee Minutes
- IV.** Review and Discuss Skills Matrix for Board of Visitors
- V.** Closed Meeting  
**Closed Meeting – Pursuant to §2.2-3711A.1, 4, 7 and 8, Code of Virginia**
- VI.** Discussion of other items
- VII.** Adjournment

**Governance Committee**

Dwayne B. Blake, Chair  
Mary L. Blunt  
Bishop Kim W. Brown  
Dr. Katrina Chase  
The Honorable James W. Dyke, Jr.  
Dr. Harold L. Watkins

*Staff: Eric Claville, Interim Executive Advisor  
to the President for Governmental Relations*

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*The President participates in all Committee meetings.*

**All times are approximate and the Board reserves the right to adjust its schedule as necessary.  
In compliance with the Virginia Freedom of Information Act, please be advised that during the course of this meeting  
there will be no opportunity for public comment.**

**BOARD OF VISITORS  
GOVERNANCE COMMITTEE MEETING  
August 31, 2022**

**MINUTES**

**1. Call to Order**

The Governance Committee Meeting was called to order at 1:59 p.m. A quorum was established with 4-0 Roll Call Vote.

Committee Members Present

Mr. Dwayne B. Blake, Chair  
Mrs. Mary Blunt  
Bishop Kim W. Brown (Virtual)  
Dr. Katrina Chase  
Mr. James Dyke

Additional Board Members Present

Mrs. Heidi Abbott  
Mr. Conrad Hall  
Mr. Delbert Parks

Committee Members Absent

Dr. Harold L. Watkins, II

Counsel Present

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

NSU Administrators and Staff Present

Dr. Javaune Adams-Gaston, President  
Mr. Eric Claville, Executive Advisor to the President for Government Relations  
Dr. Justin Moses, Vice President for Operations and Chief Strategist for Institutional Effectiveness  
Ms. Tanya S. White, Chief of Staff  
Ms. Inda Walker, Clerk to the University President and Liaison to the Board of Visitors  
Mr. Christopher Gregory, Office of Information Technology  
Chief Brian Covington, Chief of Police

**BOARD OF VISITORS**

Governance Committee Meeting

August 31, 2022

Page 2

**2. Recommend Approval of Electronic Participation**

The Committee voted and unanimously approved with a 3-0 Roll Call Vote for the electronic participation of Bishop Kim Brown. The Honorable James Dyke motioned, seconded by Dr. Katrina Chase.

**3. Approval of the Minutes**

The Committee voted and unanimously approved with a 5-0 Roll Call Vote the minutes for the April 13, 2022 Committee Meeting. Mary Blunt motioned, seconded by The Honorable James Dyke.

**4. Closed Session**

Closed Meeting. Motion was read by Mary Blunt and seconded by The Honorable James Dyke and unanimously approved with a 5-0 roll call vote.

Pursuant to Section 2.2-3711(A).1 and 8 of the Code of Virginia, I move that this Norfolk State University Board of Visitors go into Closed Session for the purpose of discussion of compensation of a high-level university employee at Norfolk State University, which includes discussion of the subject matter of job performance, and for the purpose of consultation and briefing by staff members. Further, that the following remain for or attend when called to the Closed Meeting – Eric Claville and the President, and that any member of the NSU Board of Visitors be permitted to attend virtually or by phone to listen in to the Closed Meeting or in person.

**5. Open Meeting**

Chair: Having reconvened in open session, we will now take a roll call vote on certification that (1) only public business matters lawfully exempted from open meeting requirements, and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the Board. Any member of the Board who believes that there was a departure from the requirements as stated above, shall so state prior to the vote, indicating the substance of the departure that in his, or her judgment, has taken place. The motion was unanimously approved with a 5-0 roll call vote.

**6. Update on New Board Member Orientation**

Eric Claville gave a brief review of the New Board Member Orientation. The New Board Members were greeted by Dr. Adams-Gaston, the Rector, and members of the President’s Cabinet. Dr. Adams-Gaston gave a presentation and then the members of the Cabinet introduced themselves, giving a brief overview of their areas.

Chairman Blake commented that Mr. Claville is working on the updating the Board Matrix and looking at the upcoming SCHEV Board Orientation, and looking at the skillset that is represented by the Board.

**6. Adjournment**

There being no further business, Chairman Blake adjourned the meeting at 2:26 pm.

Respectfully submitted,

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Inda B. Walker, Board Liaison

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Dwayne B. Blake, Chair  
Governance Committee

**NSU BOV GOVERNANCE COMMITTEE  
ROLL CALL VOTE AUGUST 31, 2021**

<b>Item</b>	<b>Mr. Blake</b>	<b>Mrs. Blunt</b>	<b>Bishop Brown</b>	<b>Dr. Chase</b>	<b>Honorable Dyke</b>	<b>Dr. Watkins</b>	<b>Totals</b>
Quorum	Present	Present	Virtual	Present	Present	Absent	4-0
Approve electronic participation of Bishop Kim Brown	Yes	Yes		Yes	Yes	--	4-0
Approve April 13, 2022 Minutes	Yes	Yes	Yes	Yes	Yes	--	5-0
Approve motion to go into Closed Session	Yes	Yes	Yes	Yes	Yes	--	5-0
Approve motion to go into Open Session	Yes	Yes	Yes	Yes	Yes	--	5-0

# **AUDIT, RISK, AND COMPLIANCE COMMITTEE**

**AGENDA**  
**BOARD OF VISITORS**  
**AUDIT, RISK AND COMPLIANCE COMMITTEE MEETING**  
*Wednesday, November 16, 2022*  
*Bishop Kim W. Brown, Chair*  
*3:00 p.m. to 5:00 p.m.*

Campus Location:

Norfolk State University, 700 Park Avenue, Norfolk, VA 23504  
Student Center Board Room, 3<sup>rd</sup> Floor, Suite 301

- I. Call to Order/Establish Quorum
- II. Recommend Approval of the August 31, 2022, Committee Minutes
- III. Discussion Items (45 min)
  - a. University Compliance
    - i. NSU Compliance Ecosystem Update
    - ii. Compliance Assessment Plan Update 2022-2023
    - iii. Data Security and Privacy Assessment Updates
    - iv. Contents of Gap Closure Plans
  - b. Internal Audit
    - i. Degree Clearance Audit Update
- IV. **Closed Meeting – Pursuant to §2.2-3711A.1, 4, 7 and 8, Code of Virginia (20 min)**
- V. Open Meeting  
Closed Meeting Certification  
Actions/Motions
- VI. Public Comment
- VII. Adjournment

**Audit, Risk and Compliance Committee**

*Bishop Kim W. Brown, Chair*

Heidi W. Abbott

Dr. Katrina Chase

Gilbert Bland

Conrad Hall

Delbert Parks

*Staff:*

*Derika Burgess, Chief Audit Executive*

*Dr. Dawn M. Hess, Chief Compliance Officer*

-----  
*The President participates in all Committee meetings.*

All times are approximate, and the Board reserves the right to adjust its schedule as necessary.

Page 1 of 1

**BOARD OF VISITORS**  
**AUDIT, RISK AND COMPLIANCE COMMITTEE MEETING MINUTES**  
August 31, 2022

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

Mr. Delbert Parks, BOV Member, called the Audit, Risk, and Compliance Committee meeting to order at approximately 12:11 p.m. A quorum was established with a 4-0 roll call.

Committee Members

Bishop Kim W. Brown, Chair (Virtual)

Heidi W. Abbott

Gilbert Bland

Dr. Katrina Chase

Conrad Hall

Delbert Parks

NSU Administrators and Staff

Dr. Javaune Adams-Gaston, President

Ms. Tanya S. White, Chief of Staff

Mrs. Derika L. Burgess, Chief Audit Executive

Dr. Dawn Hess, Chief Compliance Officer

Ms. Inda Walker, Clerk to the University President and Liaison to the Board of Visitors

Mr. Christopher Gregory, Office of Information Technology

Dr. Gerald Ellsworth Hunter, Vice President/Chief Financial Officer, Finance and Administration

Mr. Anton Kashiri, Facilities Management

Mrs. Patricia A. Perkins-Smith, Director, Environmental Health, Safety and Risk Management

Chief Brian Covington, Chief of Police

Counsel Present

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

**2. Recommend Approval of Electronic Participation**

The Committee unanimously approved the electronic participation for Bishop Kim Brown with a 4-0 roll call vote. Motion was made by Conrad Hall and seconded by Heidi Abbott.

Bishop Brown welcomed the new members and gave a brief background about the Audit, Risk and Compliance Committee, stating that Dr. Hess is our first Chief Compliance Officer at NSU. He emphasized that both Dr. Hess and Mrs. Burgess are doing a great job.

### 3. Approval of the Minutes

Heidi Abbott motioned, Delbert Parks seconded, and the Committee unanimously approved the Audit, Risk and Compliance Committee minutes for April 13, 2022.

### 4. Discussion Items

Dr. Hess introduced herself as the first Chief Compliance Officer for NSU, transitioning NSU from a decentralized compliance model to a centralized university-wide compliance program. .

- NSU's Compliance Ecosystem was shared in a visual, demonstrating which aspects of an effective compliance program have been developed and integrated into NSU's management; a focus on University Compliance's long-term strategy for compliance integration was discussed.
- The Compliance Assessment Plan for academic year 2022-2023 was presented and includes Environmental, Health & Safety; Privacy and Data Security (Cyber Security); and Researcher Compensation and Conduct.
- Dr. Hess thanked Dr. Hunter, Mr. Kashiri, and Mrs. Perkins-Smith, for their attendance stating that their collaboration is instrumental in the success of the Environmental, Health and Safety compliance assessment. Additionally, Dr. Hunter, Mr. Kashiri, and Mrs. Perkins-Smith, were present in case there were questions.
- Compliance assessments comprise a review of management controls. Controls involve Oversight and Accountability, Regulatory Reporting, Compliance Management Capability, and other area specific Key Concerns. Examples of Compliance Management controls reviewed include documentation, outreach and training, management systems, proficiency with the requirements and known compliance related gaps. Other examples of controls reviewed during compliance assessments were discussed.
- Outcomes of compliance assessments include an understanding of our standing with relation to compliance for a specific title, the overall compliance status of area/departments, title compliance-related risks, overall department compliance-related risks, NSU compliance eco-system status and gap closure plans. The data collected during compliance assessments will assist in informing NSU's long term strategies by providing evidence for risk-based decisions.
- With Environmental, Health and Safety, University Compliance assessed our performance in meeting our obligations for forty-nine (49) compliance titles. Of these

forty-nine (49) titles, NSU has gaps in meeting our compliance obligations for eighteen (18). Of these eighteen (18), three (3) titles gaps were purely operations.

- Working closely with Environmental, Health and Safety, a Gap Closure Plan was developed which details current condition, target condition, action plans, responsible individual, and a due date. Additionally, recommended improvements and best practices were included. The final due date for gap closure is February 2023.
- In addition to a Gap Closure Plan a university-wide Environmental, Health and Safety and Risk Management (EHSRM) training plan has been developed which includes a regulatory citation with a hotlink to the compliance-related training requirement and a training requirement summary.
- The Privacy and Data Security (Cyber Security) compliance assessment began in July 2022 and is currently on-going.

Bishop Brown reminded everyone that the Compliance Program is less than two (2) years old and the recently established University Compliance Office has fostered a level of interdepartmental communications across the campus.

5. Closed Meeting. Motion was read by Heidi Abbott and seconded by Delbert Parks, and unanimously approved with a 5-0 roll call vote.

Section 2.2-3711.A. 1 and 4 to discuss (1) personnel matters regarding the evaluation of performance of specific university departments where such evaluation will necessarily involve discussion of the performance of specific individuals and certain university employees; and

(4) The protection of the privacy of individuals in personnel matters not related to public business; and

Section 2.2-3711.A. 7 and 8 Consultation with legal counsel employed or retained by NSU regarding specific legal matters requiring the provision of legal advice by such counsel pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the university, and/or consultation with legal counsel and briefings by staff members or consultants; and

**Further, that the following remain for or attend, when called, the Closed Meeting:**

The President

University Counsel

Chief Audit Executive

Vice President/Chief Financial Officer for Finance and Administration

Associate Vice President Facilities Management

Chief Covington was invited to the Closed Session. A motion was made to approve his attendance by Heidi Abbott and seconded by Dr. Katrina Chase. The motion was unanimously approved with a 5-0 roll call vote.

**6. Open Meeting**

Having reconvened in open session, we will now take a roll call vote on certification that (1) only public business matters lawfully exempted from open meeting requirements, and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the Board. Any member of the Board who believes that there was a departure from the requirements as stated above, shall so state prior to the vote, indicating the substance of the departure that in his, or her judgment, has taken place. The motion was unanimously approved with a 5-0 roll call vote.

**7. Adjournment**

There being no further business, Chairman Bishop Brown adjourned the meeting at 1:38 p.m.

Respectfully submitted,

---

Inda Walker, Board Liaison

---

Bishop Kim W. Brown, Chair  
Audit, Risk and Compliance Committee

**NSU BOV AUDIT, RISK, AND COMPLIANCE COMMITTEE**  
**ROLL CALL VOTE AUGUST 31, 2021**

<b>Item</b>	<b>Bishop Brown</b>	<b>Mrs. Abbott</b>	<b>Mr. Bland</b>	<b>Dr. Chase</b>	<b>Mr. Hall</b>	<b>Mr. Parks</b>	<b>Totals</b>
Quorum	Virtual	Present	Present	Present	Present	Present	5-0
Approve virtual participation of Bishop Kim Brown	--	Yes	Yes	Yes	Yes	Yes	5-0
Approve April 13, 2022 Meeting Minutes	Yes	Yes	Yes	Yes	Yes	Yes	6-0
Approve motion to go into Closed Session	Yes	Yes	Yes	Yes	Yes	Yes	6-0
Approve motion to go into Open Session	Yes	Yes	Yes	Yes	Yes	Yes	6-0



# NORFOLK STATE UNIVERSITY

Audit, Risk and Compliance Committee Meeting  
November 16, 2022

# Agenda

- I. University Compliance
  - A. NSU Compliance Ecosystem Update
  - B. Compliance Assessment Plan Update 2022-2023
  - C. Data Security and Privacy Assessment Updates
  - D. Contents of Gap Closure Plans
- II. Internal Audit
  - A. Degree Clearance Updates
  - B. Closed Session

# University Compliance Office Program Development

★ = Integrated & On-Going

○ = Currently Implementing

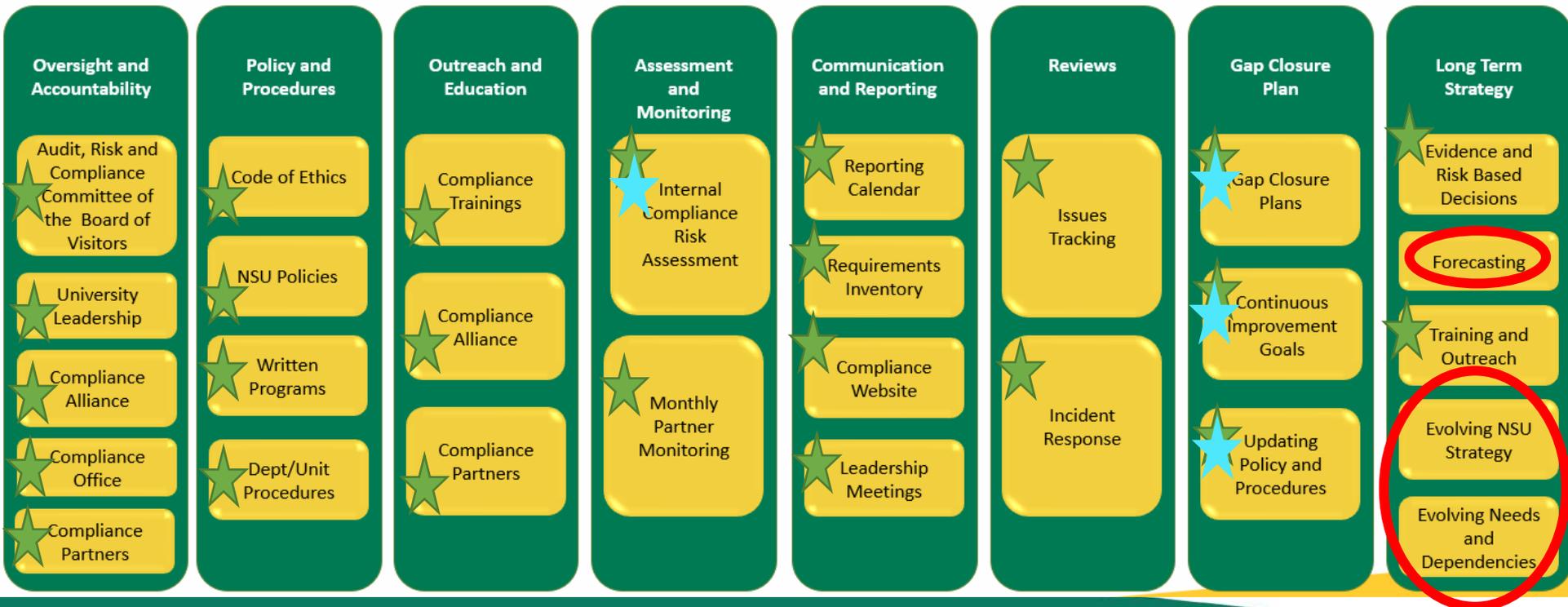
○ = Developing

★ = Details on additional slides



NORFOLK STATE UNIVERSITY

## NSU Compliance Ecosystem



# Compliance Assessment Plan 2022-2023

- ✓ Environmental, Health & Safety – Implementing Gap Closure Plan. Anticipated closure February 2023
- Privacy and Data Security (Cyber Security) – Currently Assessing
- Researcher Compensation and Misconduct – Developing Protocols

## CONTROLS ASSESSED

Oversight and  
Accountability

Regulatory  
Reports

Compliance  
Management

Other Key  
Concerns

## OUTCOMES

- ✓ Compliance status by **title**
- ✓ **Overall** compliance status of area/department
- ✓ NSU compliance **ecosystem** status
- ✓ **Title** compliance gaps and related concerns
- ✓ Overall **department** compliance gaps and related concerns
- ✓ **Title compliance-related risk** assessment
- ✓ Overall **department compliance-related risk** assessment
- ✓ Gap closure plans

# Privacy & Data Security Compliance Assessment to Date

## Assessment completed with no current gaps

- **Family Educational Rights and Privacy Act (FERPA) - not including HB1**
  - The University must establish policies and procedures requiring the release of the educational record of a dependent student, as defined by the federal Family Educational Rights and Privacy Act (FERPA, 20 U.S.C. § 1232g), to a parent at his/her request. Each educational agency or institution shall annually notify students currently in attendance, of their rights under FERPA.
  - Best practice recommendation – document **simple** procedures within Registrar's office (completed)
- **American with Disabilities Act (ADA) – Web Content Accessibility**
  - Ensuring that those with disabilities have inclusive access to websites and web applications.

## Gaps identified and closure is under development with updating existing Policies/Procedures/Processes

- **Gramm Leach Bliley Act (GLBA - Privacy Rule and Safeguards Rule)**
  - This law applies to how higher education institutions collect, store, and use student financial records (e.g., records regarding tuition payments and/or financial aid) containing personally identifiable information.
  - Developing or updating policies which contain provisions related to GLBA:
    - Data Retention,
    - Logging and Monitoring,
    - Incident Response (BoV policy), and
    - Privacy
- **Information Security Standard (All subparts)**
  - Closing gaps on risk assessments and contingency planning
    - Updating Data Classification System (Admin policy)
    - Conducting Risk Assessments (BoV policy)
    - Performing Contingency Planning (Incident Response BoV policy)

# Privacy & Data Security Compliance Assessment to Date

## Still Assessing – Currently lacking policy/process/procedure

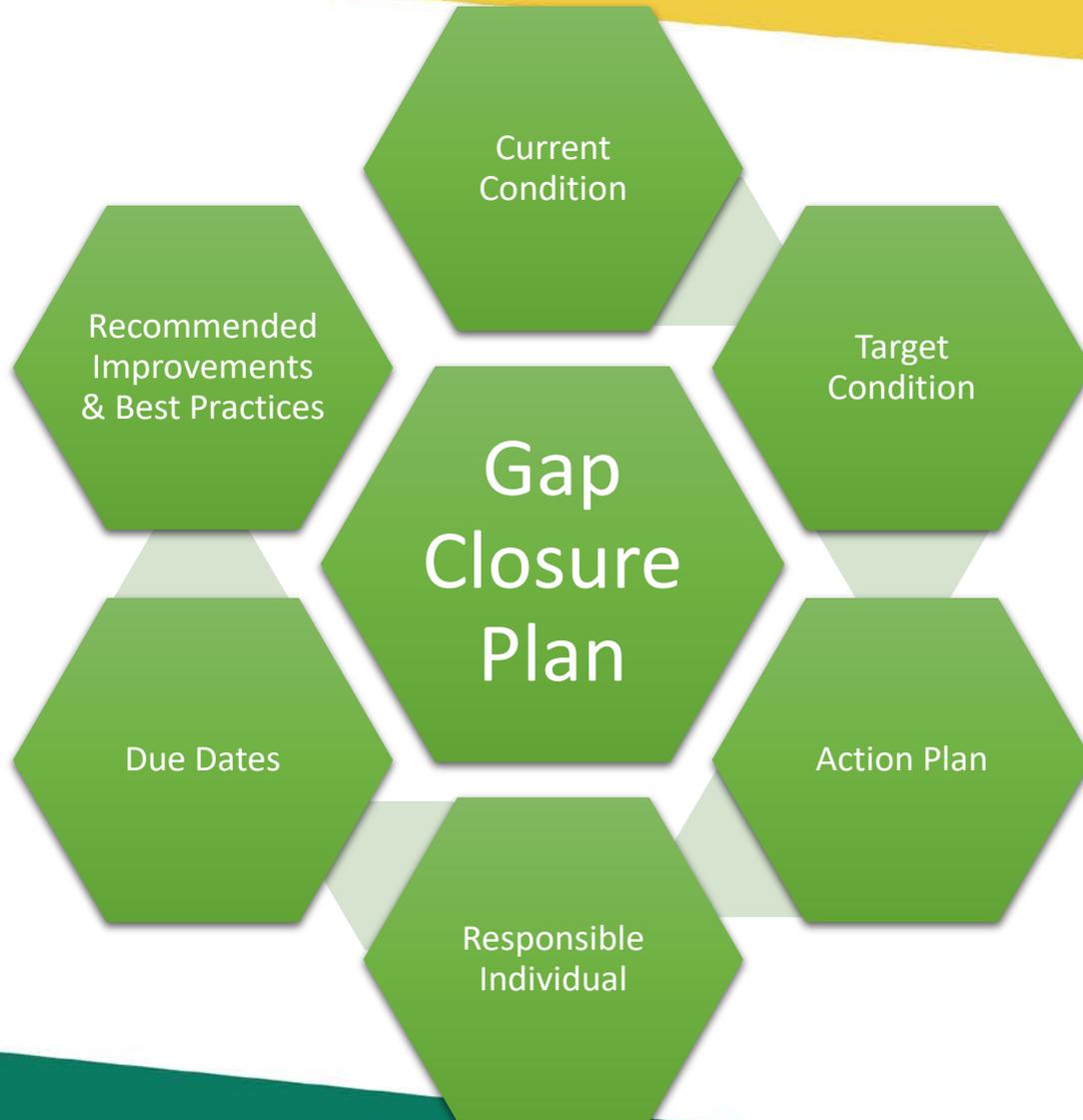
### Developing Recommendations and Best Practices

- **General Data Protection Regulation (GDPR)**
  - EU law with mandatory rules for how organizations use personal data - rules for data protection and privacy for all individuals physically within the EU (citizenship is irrelevant).
    - International student, prospective student, distance learning student, alumnus, donor, vendor.
- **Payment Card Industry Data Security Standard (PCI DSS)**
  - A cybersecurity standard backed by all the major credit card and payment processing companies that aims to keep credit and debit card numbers safe.

## Assessment has not yet begun assessment

- **Federal Information Security Management Act (FISMA)**
  - Requires the University:
    - 1) implement security programs and policies;
    - 2) assess risk; and
    - 3) periodically test controls.
- **FERPA HB-1 - Virginia House Bill 1 2018 (§23.1-405)**
  - Prohibits a university from disclosing a student's email address, physical address or telephone number under the exception of the Family Educational Rights and Privacy Act (FERPA) for directory information or the Virginia Freedom Information Act (FOIA) unless the student has affirmatively consented in writing to the disclosure.

# Gap Closure Plans



Thank You

November  
2022

NSU  
Office of the Registrar  
Audit Presentation  
ARC Committee

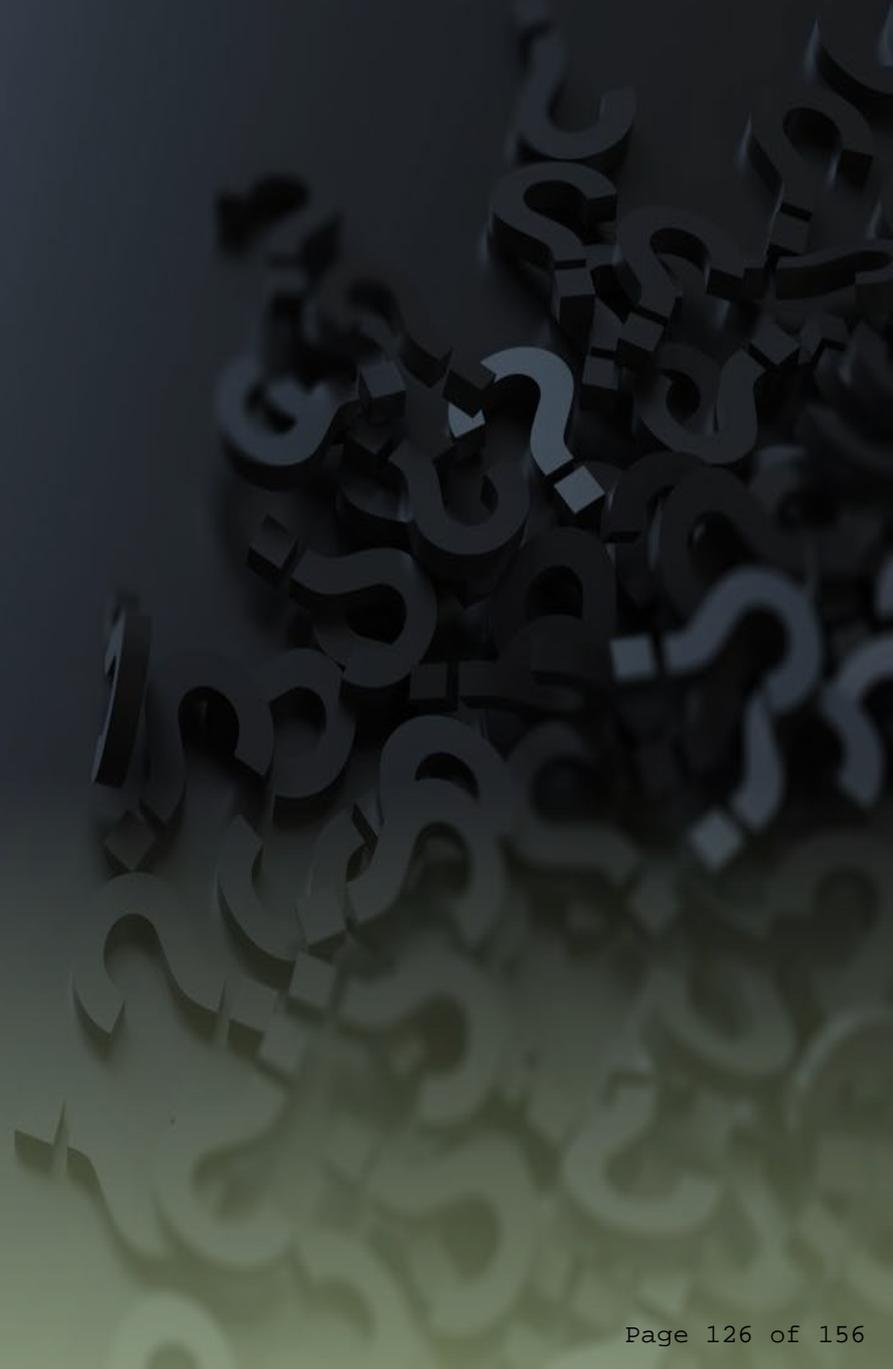
# Degree Clearance Audit

<u>Dept</u>	<u>Finding</u>	<u>Issue Rating</u>	<u>Finding Details</u>	<u>Management Action plan</u>	<u>Status</u>	<u>Update</u>
Office of the Registrar	1	MRIA	<b>University Catalog Requirements</b> The University Course Catalogs are posted on the university website. However, the information for degree requirements is not consistently applied as part of the academic evaluations.	After each University Curriculum Committee meeting update the current academic catalog to make changes for all courses and curriculums approved each spring verses during the semester	Closed	Future improvements: separate templates for each academic program will be created. Focus has temporarily shifted to increasing staff. Office is currently running at 1/2 capacity.
	2	MRIA	<b>Academic Evaluations</b> Graduating students are not consistently completing the required writing competency exam prior to graduation.	Academic departments have removed the writing exam requirement from all programs: The most recent 202-2021 academic catalogs reflects this change	Closed	Writing competency has been added as a course requirements in lieu of an exit exam
	3	MRIA	<b>Matriculation Policy</b> The academic evaluations do not reflect the actual catalog date of the student's year of admission or readmission.	Move from a 2 year to single year catalog. This will require entry and re-entry dates be recorded with greater accuracy.	Closed	Catalogs are available online and now run form 2019-2020; 2020-2021; 2021-2022, etc.
	4	MRIA	<b>Commencement Policy</b> Policy requirements such as advisor signatures and due dates for commencement applications are not consistently enforced.	Update Commencement Participation Policy to reflect the desired requirements that includes application and deadlines	Pending	Updated policy is currently being reviewed in the Office of the Provost.

# Degree Clearance Audit

Dept	Finding	Issue Rating	Finding Details	Management Action plan	Status	Update
Office of the Registrar	5	MRIA	<b>Grade Changes</b> Grade changes are made days before and months after the Fall 2019 graduation date. Requests for Correction or Omission of Grade Report was not submitted by Faculty before changes were made.	Grade changes are no longer fulfilled by email. They are sent to the Omission Grade Change Committee. The committee consists of Registrar, Vice Provost and 10 faculty members	Closed	Rationale for submitting a grade changes are not only required for graduating seniors, but all students
	6	MRA	<b>Grade Reports</b> Grade reports are not provided for all students. Current practice does not address mini-courses.	Develop a 3-week grade report for mini terms	Closed	Registrar has created an announcement to inform faculty of new grade reports for mini terms starting this semester. Fist 3-week grade report was released on 11.07.2022.
	7	MRA	<b>Degree Deadlines</b> Deadline dates published across campus provide conflicting deadlines.	Create one master calendar for each commencement period used for all communications regardless of the format.	Pending Verification	All graduation due dates have been consolidated into a single master calendar and made available on the Registrar's web page. Web page is currently under construction and will soon reflect Spring 2023 graduation dates.
	8	MRA	<b>Management Oversight</b> There is limited reporting and formal oversight over the degree clearance process.	Registrar has access to AVP of enrollment Management during Director's meetings. Here Registrar and may discuss overrides and exceptions concerning degree clearance.	Pending Verification	Meeting topics will include training, policies and procedures once staffing levels are brought back up previous levels. Several attempts to add new hires have been unsuccessful.

# Questions



# **BOV/NSUF LIAISON COMMITTEE**

## **Agenda**

Board of Visitors and Norfolk State University Foundation, Inc.

### **BOV/NSUF Liaison Committee Meeting**

Wednesday, November 16, 2022

*Dr. Harold L. Watkins, II, Chair*

*Staff: Clifford Porter, Vice President for University Advancement*

Norfolk State University  
700 Park Avenue, Norfolk, VA 23504

- I. Establish Quorum/Call to Order
- II. Review and Acceptance of Agenda
- III. Approval of February 10, 2022 Committee Meeting Minutes
- IV. Discussion Items
  - Discussion of BOV 2021 Compliance Report
  - Discussion of NSU Foundation and Subsidiary Statements
  - Progress update on efforts to align all foundations at NSU to include NSUF, NSUAF, NSURIF, and NSUAA.
- V. Public Comment
- VI. Adjournment

### **Liaison Committee BOV and NSUF**

*Dr. Harold L. Watkins, II, Chair*

Heidi W. Abbott

Delbert Parks

Dr. Katrina Chase

*Staff: Clifford Porter, Vice President for University Advancement*

*The President participates in all Committee meetings*

**All times are approximate and the Committee reserves the right to adjust its schedule as necessary.  
In compliance with the Virginia Freedom of Information Act, please be advised that during the course of this meeting there  
will be no opportunity for public comment.**

**Page 1 of 2**

In accordance with Memorandum of Understanding between the NSU Foundation and Norfolk State University, a Liaison Committee shall monitor the relationship of the parties and attempt to resolve questions and concerns of the parties, including but not limited to, annual review of the Memorandum of Understanding, the management of stipend fees, priorities for fund solicitations or other issues affecting the relationship of the parties.

**Composition of Liaison Committee**

<b>Members</b>	<b>Name</b>	<b>Voting/Non-Voting</b>
NSU Foundation Board President or his/her designee	Mr. Anthony Walters in for Travis Ames, Sr.	Voting
NSUF Board Member	Mr. Earl Lee.	Voting
NSUF Development Chair	Ms. Brenda Andrews	Voting
Chair, NSU BOV/NSUF Liaison Committee	Dr. Harold L. Watkins, II, Chair	Voting
Member of the Board of Visitors appointed by the Rector	Mrs. Heidi Abbott	Voting
Member of the Board of Visitors appointed by the Rector	Mr. Delbert Parks	Voting
Member of the Board of Visitors appointed by the Rector	Dr. Katrina Chase	Voting
President of the University	Dr. Javaune Adams-Gaston	Non-Voting
Vice President of University Advancement	Mr. Clifford Porter	Non-Voting
NSUF Executive Director	Ms. Crystal Jenkins	Non-Voting

**Format:**

A quorum for a meeting of the Liaison Committee shall be two representatives from the Board of Visitors and the NSU Foundation.

**Frequency: At least annually**

**All times are approximate and the Committee reserves the right to adjust its schedule as necessary. In compliance with the Virginia Freedom of Information Act, please be advised that during the course of this meeting there will be no opportunity for public comment.**

**NORFOLK STATE UNIVERSITY  
FOUNDATION, INC. AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL REPORT**

**DECEMBER 31, 2021**



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ASSURANCE, TAX & ADVISORY SERVICES

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Norfolk State University Foundation, Inc. and Subsidiaries

### **Opinion**

We have audited the consolidated financial statements of Norfolk State University Foundation, Inc. and Subsidiaries (the Foundation), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2021 and 2020, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued when applicable).

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*PBMares, LLP*

Newport News, Virginia  
September 8, 2022

## **CONSOLIDATED FINANCIAL STATEMENTS**

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2021 and 2020**

	2021	2020
<b>ASSETS</b>		
Cash and cash equivalents	\$ 12,757,712	\$ 43,085,742
Investments	84,833,130	39,546,090
Promises to give, net	4,002,188	4,527,372
Interest in charitable remainder unitrusts	231,246	225,489
Property and equipment, net	2,333,853	370,406
Other assets	35,812	31,412
	<hr/>	<hr/>
<b>Total assets</b>	<b>\$ 104,193,941</b>	<b>\$ 87,786,511</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable	\$ 208,922	\$ 101,942
Split-interest agreement liability	18,487	38,320
Capital lease obligation	-	2,024
	<hr/>	<hr/>
<b>Total liabilities</b>	<b>227,409</b>	<b>142,286</b>
	<hr/>	<hr/>
Net Assets		
Without donor restrictions		
Operating	856,462	40,667,312
Board designated	2,864,155	-
Quasi endowment, board designated	44,906,109	4,745,460
Property and equipment	2,333,853	370,406
	<hr/>	<hr/>
<b>Total without donor restrictions</b>	<b>50,960,579</b>	<b>45,783,178</b>
	<hr/>	<hr/>
With donor restrictions	53,005,953	41,861,047
	<hr/>	<hr/>
<b>Total net assets</b>	<b>103,966,532</b>	<b>87,644,225</b>
	<hr/>	<hr/>
<b>Total liabilities and net assets</b>	<b>\$ 104,193,941</b>	<b>\$ 87,786,511</b>
	<hr/> <hr/>	<hr/> <hr/>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF ACTIVITIES  
Years Ended December 31, 2021 and 2020**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2021 Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2020 Total</b>
<b>Revenues and Support</b>						
Contributions	\$ 411,280	\$ 9,185,470	\$ 9,596,750	\$ 40,606,696	\$ 5,987,027	\$ 46,593,723
Net investment income	14,884	15,356	30,240	4,278	11,287	15,565
Net realized and unrealized investment gains	4,692,295	5,775,656	10,467,951	504,811	2,911,318	3,416,129
Net assets released from restrictions:						
Satisfaction of program and time restrictions	3,831,576	(3,831,576)	-	3,181,620	(3,181,620)	-
<b>Total revenues and support</b>	<b>8,950,035</b>	<b>11,144,906</b>	<b>20,094,941</b>	<b>44,297,405</b>	<b>5,728,012</b>	<b>50,025,417</b>
<b>Expenses</b>						
Program services	3,200,338	-	3,200,338	2,771,532	-	2,771,532
Administrative	464,220	-	464,220	368,745	-	368,745
Fundraising	108,076	-	108,076	119,022	-	119,022
<b>Total expenses</b>	<b>3,772,634</b>	<b>-</b>	<b>3,772,634</b>	<b>3,259,299</b>	<b>-</b>	<b>3,259,299</b>
<b>Change in net assets</b>	<b>5,177,401</b>	<b>11,144,906</b>	<b>16,322,307</b>	<b>41,038,106</b>	<b>5,728,012</b>	<b>46,766,118</b>
Net Assets, beginning of year	45,783,178	41,861,047	87,644,225	4,745,072	36,133,035	40,878,107
Net Assets, end of year	<b>\$ 50,960,579</b>	<b>\$ 53,005,953</b>	<b>\$ 103,966,532</b>	<b>\$ 45,783,178</b>	<b>\$ 41,861,047</b>	<b>\$ 87,644,225</b>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended December 31, 2021**

	<b>Program</b>			
	<b>Services</b>	<b>Administrative</b>	<b>Fundraising</b>	<b>Total</b>
Advertising	\$ 18,503	\$ -	\$ -	\$ 18,503
Bad debt	92,235	-	-	92,235
Bank and investment fees	149,642	-	-	149,642
Conferences and training	16,595	-	-	16,595
Consulting services	104,941	5,245	-	110,186
Equipment	14,616	1,689	-	16,305
Insurance	19,167	12,573	44,799	76,539
Internet services	15,975	-	-	15,975
Lease and office rent	6,375	4,875	3,750	15,000
Legal	38,549	11,494	-	50,043
Meals and entertainment	45,649	14,838	-	60,487
Miscellaneous	147,380	41,092	204	188,676
Other wages and stipends	196,746	72,421	51,207	320,374
Payroll	328,827	147,514	-	476,341
Payroll benefits and taxes	7,987	45,855	3,660	57,502
Postage	1,401	2,981	-	4,382
Printing and publications	36,192	2,001	-	38,193
Prizes and awards	28,777	2,490	-	31,267
Professional dues and subscriptions	34,824	21,726	-	56,550
Professional fees	7,848	23,545	-	31,393
Property taxes	2,748	2,198	550	5,496
Repairs and maintenance	15,530	-	-	15,530
Scholarships	1,680,363	9,830	-	1,690,193
Software purchases	57,357	731	-	58,088
Special events	45	-	-	45
Sponsorship support	13,650	15,538	-	29,188
Supplies	49,850	7,599	-	57,449
Transfers	11,020	2,364	-	13,384
Travel	38,020	-	-	38,020
<b>Total expenses before depreciation and amortization</b>	<b>3,180,812</b>	<b>448,599</b>	<b>104,170</b>	<b>3,733,581</b>
<b>Depreciation and amortization</b>	<b>19,526</b>	<b>15,621</b>	<b>3,906</b>	<b>39,053</b>
<b>Total expenses</b>	<b>\$ 3,200,338</b>	<b>\$ 464,220</b>	<b>\$ 108,076</b>	<b>\$ 3,772,634</b>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended December 31, 2020**

	Program			
	Services	Administrative	Fundraising	Total
Advertising	\$ 2,459	\$ 75	\$ -	\$ 2,534
Bad debt	61,298	-	-	61,298
Bank and investment fees	115,472	-	-	115,472
Conferences and training	26,136	2,869	-	29,005
Consulting services	4,416	9,005	5,700	19,121
Insurance	-	11,882	43,261	55,143
Internet services	23,981	-	5,500	29,481
Lease and office rent	6,375	4,875	3,750	15,000
Legal	1,015	-	250	1,265
Meals and entertainment	44,461	-	-	44,461
Miscellaneous	276,962	24,328	205	301,495
Other wages and stipends	123,184	63,614	47,045	233,843
Payroll	195,516	146,951	-	342,467
Payroll benefits and taxes	7,083	42,089	3,631	52,803
Postage	400	2,544	-	2,944
Printing and publications	6,270	-	6,330	12,600
Prizes and awards	34,829	-	-	34,829
Professional dues and subscriptions	21,041	14,996	-	36,037
Professional fees	7,657	22,970	673	31,300
Property taxes	2,016	1,613	403	4,032
Repairs and maintenance	19,002	-	-	19,002
Scholarships	1,636,669	-	-	1,636,669
Software purchases	7,000	377	-	7,377
Sponsorship support	6,500	11,000	-	17,500
Student assistance	48,909	-	-	48,909
Supplies	29,655	461	-	30,116
Transfers	48,292	-	-	48,292
Travel	3,564	-	-	3,564
Total expenses before depreciation and amortization	2,760,162	359,649	116,748	3,236,559
Depreciation and amortization	11,370	9,096	2,274	22,740
<b>Total expenses</b>	<b>\$ 2,771,532</b>	<b>\$ 368,745</b>	<b>\$ 119,022</b>	<b>\$ 3,259,299</b>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
Years Ended December 31, 2021 and 2020**

	2021	2020
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 16,322,307	\$ 46,766,118
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributions restricted for long-term investment	(2,520,000)	(1,649,762)
Non-cash contribution of property and equipment	(2,500)	(89,682)
Net realized and unrealized investment gains	(10,467,951)	(3,416,129)
Dividends and interest reinvested	(30,240)	(15,565)
Change in value of split-interest agreement liability	(19,833)	(19,759)
Bad debt provision	(92,235)	56,786
Depreciation and amortization	39,053	22,740
Change in assets and liabilities		
Promises to give	306,118	(2,769,576)
Interest in charitable remainder unitrusts	(5,757)	(5,797)
Other assets	(4,400)	(3,850)
Accounts payable	106,980	18,672
<b>Net cash provided by operating activities</b>	<b>3,631,542</b>	<b>38,894,196</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	(35,000,000)	(48,200)
Proceeds from sale of investments	211,151	166,174
Purchase of property and equipment	(2,000,000)	(18,099)
<b>Net cash provided by (used in) investing activities</b>	<b>(36,788,849)</b>	<b>99,875</b>
<b>Cash Flows from Financing Activities</b>		
Payments on capital lease obligation	(2,024)	(3,514)
Collections of contributions restricted for long-term investment	2,831,301	1,492,378
<b>Net cash provided by financing activities</b>	<b>2,829,277</b>	<b>1,488,864</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(30,328,030)</b>	<b>40,482,935</b>
Cash and Cash Equivalents, beginning of year	43,085,742	2,602,807
Cash and Cash Equivalents, end of year	\$ 12,757,712	\$ 43,085,742
<b>Supplemental Disclosure of Non-Cash Activities</b>		
In-kind gifts received	\$ 2,500	\$ 89,682

# NORFOLK STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Note 1. Organization and Nature of Activities

The accompanying consolidated financial statements include the accounts of Norfolk State University Foundation, Inc. and its wholly owned subsidiaries, NSUF Holdings, LLC and Marshall Avenue Properties, Inc. (collectively, the Foundation). The Foundation is a not-for-profit organization established to provide financial support to Norfolk State University (the University). NSUF Holdings, LLC was established on May 5, 2021 to acquire and hold real property at 805 Park Avenue, Norfolk VA.

### Note 2. Summary of Significant Accounting Policies

**Basis of presentation:** The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Foundation is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. Support that is restricted by the donor is, however, reported as an increase in net assets without donor restrictions if the restriction expires or is otherwise satisfied in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires or is otherwise satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions. Details related to net assets with donor restrictions are included in Note 9 and Note 10.

**Principles of consolidation:** The consolidated financial statements include the accounts of Norfolk State University Foundation, Inc., NSUF Holdings, LLC, and Marshall Avenue Properties, Inc., which are described above. (collectively referred to as the Foundation). All significant inter-organization balances and transactions have been eliminated.

**Cash and cash equivalents:** The Foundation considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents. Cash funds held in the Foundation's investment account are reported as investments instead of cash and cash equivalents because the Foundation holds those funds as an endowment.

**Investments:** Investments in securities with readily determinable fair values and investments in debt securities are valued at their fair values in the consolidated statements of financial position. Realized and unrealized gains and losses have been recognized in the consolidated statements of activities. Certain investment expenses have been netted against investment income on the consolidated statements of activities.

The Foundation's investments are managed by external investment managers in compliance with investment guidelines established by the Board of Directors (the Board).

**Promises to give and contributions:** Contributions received are recorded as with donor restrictions or without donor restrictions depending on the existence of any donor restrictions. Contributions are recorded as without donor restrictions unless specifically restricted by the donor. Contributions of cash and other property are recognized as income when received. Contributions include grant funds provided to the Foundation by the University for investment in the Foundation's endowment.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

Restricted contributions of cash, other property and donor-restricted interest and dividend income are recorded as income with donor restrictions, and then are transferred to without donor restrictions when such resources are expended in accordance with the stipulated purpose restriction or when the time restrictions of such gifts are met.

Unconditional promises to give, less an allowance for uncollectible amounts, are reported as income in the year pledged. The promises to give are adjusted to fair value annually.

**Property and equipment:** Property and equipment are stated at cost. Donated land is recorded at fair value at the date of gift. The Foundation's policy is to capitalize furniture and equipment purchased with a cost greater than \$2,500. Depreciation of office equipment and furniture is computed using the straight-line method over the following estimated useful lives:

Office equipment	3-5 years
Furniture	7-15 years

**Functional expense allocations:** The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Directly identifiable expenses are allocated to program and administrative services. Expenses related to more than one function are charged to program and administrative services based on estimates made by management. Administrative services include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

**Credit risk and concentrations:** Financial instruments, which potentially subject the Foundation to concentration of credit risk, consist principally of cash, investments, and promises to give. The Foundation places unrestricted cash and temporary overnight investments with high credit quality financial institutions. At times the balances may exceed the FDIC insurable limit.

Unconditional promises to give, net of any uncollectible allowance, include unconditional promises to give from one donor of \$2,591,666 and \$2,750,000, which represents 65% and 61% as of December 31, 2021 and 2020, respectively, of total net unconditional promises to give in the consolidated statements of financial position.

Contributions received from three donors in the amount of \$4,120,000 represents 43% of contributions received during the year ended December 31, 2021. Contributions received from one donor in the amount of \$40,000,000 represents 80% of contributions received during the year ended December 31, 2020.

**Estimates:** The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and disclosure of contingent assets and liabilities for the reported years. Actual results could differ from those estimates and assumptions.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

***Income tax status:*** The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and the tax statutes of the Commonwealth of Virginia; accordingly, the accompanying consolidated financial statements do not reflect a provision or liability for federal and state income taxes. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740, *Income Taxes*, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Foundation's management has evaluated the impact of the standard to its consolidated financial statements.

The Foundation's income tax returns are subject to examination by taxing authorities, generally for a period of three years from the date the returns are filed. The Foundation's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively. Marshall Avenue Properties, Inc., a Virginia C-Corporation, had no activity during 2021 and 2020 and, therefore, did not file a return nor incur a tax liability. Certain investment earnings may be subject to unrelated business income tax but the earnings have been immaterial. The Foundation has determined that it does not have any material unrecognized tax obligations as of December 31, 2021.

***New accounting pronouncements:*** In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842). In ASU 2016-02, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. This ASU requires a modified retrospective transition approach, which includes a number of optional practical expedients, described in ASU 2016-02, which may be applied. The ASU is effective for fiscal years beginning after December 15, 2021. The impact of the new standard has not been determined; however, it is expected there will be an increase in the Foundation's assets and liabilities.

***Subsequent events:*** The Foundation has evaluated subsequent events through September 8, 2022, the date these financial statements were available to be issued. The Foundation has determined that, except as disclosed in Note 13, there are no other subsequent events that require disclosure pursuant to the FASB ASC.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 3. Liquidity and Availability**

As of December 31, 2021 and 2020, financial assets and liquidity resources available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 12,757,712	\$ 43,085,742
Operating investments	398,929	1,240,171
Promises to give	25,364	28,725
Endowment spending-rate distributions and appropriations	<u>2,024,698</u>	<u>193,817</u>
	<u>\$ 15,206,703</u>	<u>\$ 44,548,455</u>

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the Board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The Foundation's board-designated endowment funds of \$44,906,109 and \$4,745,460 at December 31, 2021 and 2020, respectively, are subject to an annual spending rate of 4 percent. Although the Foundation does not intend to spend from these board-designated endowment funds (other than amounts appropriated for general expenditure as part of the Foundation board of director's annual budget approval and appropriation), these amounts could be made available if necessary.

An additional \$2,864,155 of funds have been designated by the Foundation's board of directors during the year ended December 31, 2021 to be used for payment of utilities and maintenance of certain Foundation-owned property as well as for consulting fees relating to the future use and renovations of this property and other potential property acquisitions. Although the Foundation does not intend to utilize these board designated funds beyond their budgeted usage, these funds could be made available by board vote if necessary.

As part of the Foundation's liquidity management plan, the Foundation invests cash in excess of daily requirements in short-term investments and money market funds. The Foundation held \$1,023,899 and \$1,023,899 at December 31, 2021 and 2020, respectively, in short-term investments which can be drawn upon in the event of an unanticipated liquidity need.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 4. Promises to Give**

Promises to give represent commitments made by individuals, corporations and organizations for various purposes. The following details the timing of expected receipts on promises to give:

	<b>2021</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Current	\$ 61,649	\$ 1,070,406	\$ 1,132,055
Due in one to five years	-	2,717,859	2,717,859
Due in over five years	-	368,792	368,792
	<b>61,649</b>	<b>4,157,057</b>	<b>4,218,706</b>
Time value discount	(1,123)	(180,233)	(181,356)
Allowance for uncollectible promises to give	(35,162)	-	(35,162)
	<b>\$ 25,364</b>	<b>\$ 3,976,824</b>	<b>\$ 4,002,188</b>
	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Current	\$ 46,715	\$ 1,557,130	\$ 1,603,845
Due in one to five years	10,000	2,760,630	2,770,630
Due in over five years	-	376,621	376,621
	<b>56,715</b>	<b>4,694,381</b>	<b>4,751,096</b>
Time value discount	(1,451)	(186,981)	(188,432)
Allowance for uncollectible promises to give	(26,539)	(8,753)	(35,292)
	<b>\$ 28,725</b>	<b>\$ 4,498,647</b>	<b>\$ 4,527,372</b>

In order to simplify their accounting process for promises to give, the Foundation has elected to record all promises to give at fair value; the process utilizes the income approach with discounted cash flows, providing a single discounted value for all promises to give. The interest rate used for fair value was 2% for 2021 and 2020.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 5. Charitable Split-Interest Agreements**

The Foundation is named as a beneficiary of charitable remainder unitrusts in the amount of \$372,390 initially deposited with a third-party trustee and subsequently invested in various equity mutual funds. The gifts were valued at inception using the fair value of the donations, a trust payout rate of 5% and Internal Revenue Code discount rates. The remainder interest is revalued annually and was \$231,246 and \$225,489 at December 31, 2021 and 2020, respectively.

The Foundation also has beneficial interests in several charitable gift annuities. The contribution portion of the agreements are recognized as revenue when the Foundation has the unconditional right to receive benefits under the agreements and is measured at the expected future payments to be received. Any assets received under a trust agreement are recorded at fair value. Any liabilities to third-party beneficiaries are recorded at the present value of the expected payments. All present value calculations are made using federal discount rates and life expectancy tables. During the term of the agreements, any changes in actuarial assumptions are recognized as changes in value of split-interest agreements and recorded as an adjustment to contributions in the consolidated statements of activities. The discount rate used to value the gifts was approximately 5% for 2021 and 2020. All annuity payments are made yearly. The net split-interest agreement liability is valued annually and was \$18,487 and \$38,320 at December 31, 2021 and 2020, respectively.

**Note 6. Property and Equipment**

On May 21, 2021, the Foundation purchased land and building for \$2,000,000 that is still being renovated and was not placed in service as of December 31, 2021. No depreciation has been recorded for the property as of December 31, 2021. Property and equipment are comprised of the following:

	<u>2021</u>	<u>2020</u>
Land	\$ 148,210	\$ 24,310
Construction in progress	1,876,100	-
Office equipment and furniture	1,128,156	1,125,656
	<u>3,152,466</u>	<u>1,149,966</u>
Accumulated depreciation	(818,613)	(779,560)
	<u>\$ 2,333,853</u>	<u>\$ 370,406</u>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 7. Related Party Transactions**

The Foundation administers certain grants on behalf of the University's departments and faculty. Under the terms of the various grant agreements, the Foundation receives funds from the grantor and disburses them to the grantees as grant activities are conducted. Alternatively, under certain agreements, the Foundation disburses funds to the grantees and receives reimbursement from the grantor.

No amounts have been reflected in the Foundation's consolidated financial statements for volunteer services since they are not susceptible to objective measurement or valuation; however, a number of volunteers donated significant amounts of their time performing services that would otherwise be performed by paid employees.

The Foundation also leases space from the University. A formal lease agreement was entered into during 2020, which requires an annual payment of \$15,000 and expires in June 2025.

**Note 8. Net Realized and Unrealized Gains and Losses**

The Foundation had the following net unrealized and realized gains and losses from investments:

	<b>2021</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Unrealized gains	\$ 4,707,227	\$ 5,736,333	\$ 10,443,560
Realized gains (losses)	(14,932)	39,323	24,391
	<b>\$ 4,692,295</b>	<b>\$ 5,775,656</b>	<b>\$ 10,467,951</b>
	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Unrealized gains	\$ 512,148	\$ 2,889,752	\$ 3,401,900
Realized gains (losses)	(7,337)	21,566	14,229
	<b>\$ 504,811</b>	<b>\$ 2,911,318</b>	<b>\$ 3,416,129</b>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 9. Net Assets with Donor Restrictions**

Net assets included in the net assets with donor restrictions classification have been received from donors that have restricted the use of the funds for a specific purpose and/or future period. Net assets with donor restrictions at December 31, 2021 and 2020 are restricted for the following purposes or periods.

	<u>2021</u>	<u>2020</u>
Subject to Expenditure for Specified Purpose		
Scholarships	<u>\$ 12,441,885</u>	<u>\$ 8,157,145</u>
Subject to Passage of Time		
Pledges receivable	<u>3,976,824</u>	<u>4,498,647</u>
Endowments		
Unappropriated endowment investment earnings	20,290,755	15,604,168
Original donor-restricted gift amounts to be maintained in perpetuity	<u>16,296,489</u>	<u>13,601,087</u>
<b>Total endowments</b>	<u><b>36,587,244</b></u>	<u>29,205,255</u>
<b>Total net assets with donor restrictions</b>	<u><b>\$ 53,005,953</b></u>	<u>\$ 41,861,047</u>

**Note 10. Endowment**

In August 2008, accounting standards provided guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and additional disclosures about an organization's endowment funds. In 2008, the Commonwealth of Virginia adopted UPMIFA.

The Foundation's endowment consists of approximately 220 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with UPMIFA.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 10. Endowment (Continued)**

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

1. The duration and preservation of the fund;
2. The purposes of the Foundation and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation; and
7. The investment policies of the Foundation.

As of December 31, 2021, the endowment net asset composition by type of fund was as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Donor-restricted funds	\$ -	\$ 36,587,244	\$ 36,587,244
Board-designated funds	44,906,109	-	44,906,109
<b>Total funds</b>	<b>\$ 44,906,109</b>	<b>\$ 36,587,244</b>	<b>\$ 81,493,353</b>

Changes in endowment net assets consisted of the following:

	<b>2021</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of year	\$ 4,745,460	\$ 29,205,255	\$ 33,950,715
Investment loss	(58,908)	(62,298)	(121,206)
Net appreciation (unrealized and realized)	5,889,661	5,478,594	11,368,255
Contributions	1,992	2,831,301	2,833,293
Board designations	35,000,000	-	35,000,000
Distributions	(3,938)	(8,811)	(12,749)
Administrative fees	(411,927)	(442,783)	(854,710)
Appropriation of endowment assets for expenditure	(256,231)	(414,014)	(670,245)
<b>Endowment net assets, end of year</b>	<b>\$ 44,906,109</b>	<b>\$ 36,587,244</b>	<b>\$ 81,493,353</b>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 10. Endowment (Continued)**

As of December 31, 2020, the endowment net asset composition by type of fund was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted funds	\$ -	\$ 29,205,255	\$ 29,205,255
Board-designated funds	4,745,460	-	4,745,460
<b>Total funds</b>	<b>\$ 4,745,460</b>	<b>\$ 29,205,255</b>	<b>\$ 33,950,715</b>

Changes in endowment net assets consisted of the following:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 4,415,081	\$ 25,776,406	\$ 30,191,487
Investment income	428	11,287	11,715
Net appreciation (unrealized and realized)	506,911	2,911,318	3,418,229
Contributions	-	1,492,378	1,492,378
Distributions	(26,425)	(86,082)	(112,507)
Administrative fees	(61,584)	(369,034)	(430,618)
Appropriation of endowment assets for expenditure	(88,951)	(531,018)	(619,969)
<b>Endowment net assets, end of year</b>	<b>\$ 4,745,460</b>	<b>\$ 29,205,255</b>	<b>\$ 33,950,715</b>

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity as well as Board-designated funds. Under the investment policy approved by the Board, the endowment assets are invested in a manner to provide a real rate of return over inflation sufficient to support in perpetuity the mission of the Foundation. The Board established an investment committee to carry out this objective and with guidance and recommendations from their investment consultant. The Board makes decisions regarding the appropriate asset allocation.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 10. Endowment (Continued)**

The Foundation has a spending policy of appropriating for distribution each year 4% of the average value of each of its endowment funds for the three years prior to the year in which the budget is being developed for use in the following fiscal year. In establishing this policy, the Foundation considered the long-term expected return on its endowment, including those endowment funds deemed to be underwater, each year. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at an average of the long-term rate of inflation. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. The Foundation has interpreted UPMIFA to permit spending from underwater endowment funds in accordance with prudent measures required under law. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. Funds with original gift values of \$1,540, fair values of \$1,250 and deficiencies of \$290 were reported in net assets with donor restrictions at December 31, 2021. Funds with original gift values of \$1,715, fair values of \$1,084, and deficiencies of \$631 were reported in net assets with donor restrictions at December 31, 2020.

**Note 11. Fair Value Measurements**

FASB ASC 820-10 clarifies the definition of fair value for financial reporting and establishes a three-tier hierarchy as a framework for measuring fair value. Fair value is the price to sell an asset or transfer a liability between market participants as of the measurement date. The three levels of the fair value hierarchy under this standard are as follows:

- **Level 1** – Inputs are quoted prices in active markets for identical instruments.
- **Level 2** – Inputs are observable inputs other than Level 1 inputs. Level 2 inputs include quoted prices in active markets for similar instruments, quoted prices in less active or inactive markets for identical or similar instruments, and model-derived valuations in which all significant inputs are observable in active markets or can be derived from or corroborated with observable market data.
- **Level 3** – Inputs are unobservable inputs for which little or no market data exists. Level 3 inputs require an entity to develop its own assumptions, such as valuations derived from techniques in which one or more significant value drivers are unobservable.

FASB ASC 820-10 requires the reporting entity to give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3) when measuring fair value. The Foundation classifies financial assets and liabilities in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities and their placement within the fair value hierarchy levels.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 11. Fair Value Measurements (Continued)**

The following tables present the financial instruments measured at fair value on a recurring basis as of December 31, 2021 and 2020, by caption on the consolidated statements of financial position by the valuation hierarchy defined above:

	2021			Fair Value
	Level 1	Level 2	Level 3	Total
Investments (at fair value)				
Cash held for investment	\$ 84,477,245	\$ -	\$ -	\$ 84,477,245
Money market funds	106,869	-	-	106,869
Stocks and mutual funds	149,566	-	-	149,566
	<u>84,733,680</u>	-	-	<u>84,733,680</u>
Charitable remainder unitrusts	-	-	231,246	231,246
Promises to give, net	-	-	4,002,188	4,002,188
Split-interest agreement liability	-	-	(18,487)	(18,487)
	<u>\$ 84,733,680</u>	<u>\$ -</u>	<u>\$ 4,214,947</u>	<u>88,948,627</u>

Investments measured at net asset value (a):

Investments in private investment companies	<u>99,450</u>
<b>Total fair value</b>	<u><b>\$ 89,048,077</b></u>

	2020			Fair Value
	Level 1	Level 2	Level 3	Total
Investments (at fair value)				
Money market funds	\$ 1,023,899	\$ -	\$ -	\$ 1,023,899
Stocks and mutual funds	160,936	-	-	160,936
	<u>1,184,835</u>	-	-	<u>1,184,835</u>
Charitable remainder unitrusts	-	-	225,489	225,489
Promises to give, net	-	-	4,527,372	4,527,372
Split-interest agreement liability	-	-	(38,320)	(38,320)
	<u>\$ 1,184,835</u>	<u>\$ -</u>	<u>\$ 4,714,541</u>	<u>5,899,376</u>

Investments measured at net asset value (a):

Investments in private investment companies	<u>38,361,255</u>
<b>Total fair value</b>	<u><b>\$ 44,260,631</b></u>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 11. Fair Value Measurements (Continued)**

- (a) In accordance with FASB ASC 820, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

The Foundation had the majority of their funds invested in The Commonfund for Nonprofit Organizations (Commonfund). Commonfund is a tax exempt membership corporation that operates the Commonfund Multi-Strategy Equity Fund and the Commonfund Multi-Strategy Bond Fund as part of a pool of endowment funds for the exclusive benefit of educational institutions eligible for membership in Commonfund. The Commonfund consisted of funds deposited with Commonfund by participating client institutions for investment in the Commonfund, commingled for investment purposes, which are invested in accordance with the investment policies of the Commonfund and the Rules of Commonfund. The Commonfund used the net asset value as a practical expedient to determine the fair value of all investments which a) do not have a readily determinable fair value and b) either have the attributes of an investment company or prepare their financial statements consistent with the measurement principle of an investment company. The Investment Manager of the Commonfund reserved the right to adjust the reported net asset value if it is deemed to be not reflective of fair value. On December 31, 2021, the Commonfund was liquidated for \$84,477,245 and the funds were transferred to a holding account at Bank of America before using the full funds to purchase securities consisting of money market funds, equity investments, fixed income investments, and hedge funds in January 2022.

The Foundation's Level 1 securities consist of money market funds, stocks, and mutual funds for which there are quoted market prices in active markets.

Level 3 consists of charitable remainder unitrusts, split-interest agreements, and promises to give valued at present value. The fair value of certain investments in the underlying entities, which may include private placements and other securities for which values are not readily available, are determined in good faith by the investment advisors of the respective entities and may not reflect amounts that could be realized upon immediate sale, nor amounts that may be ultimately realized. These estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments, and these differences could be material. Net asset valuations are provided daily, monthly, or quarterly by these entities. Appreciation of investments in these entities is net of all fee allocations to the investment advisors. Promises to give are reported at net realizable value if at the time the promise is made, payment is expected to be received in one year or less. Promises to give that are expected to be collected in more than one year are reported at fair value which is calculated as the present value of the expected cash flows to be received.

Charitable remainder trusts and split-interest agreements are reported at fair value at the time the Foundation has the unconditional right to receive benefits under the agreements and are adjusted annually based on the present value of the expected future obligations factoring in the applicable discount rate and actuarial mortality tables.

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 11. Fair Value Measurements (Continued)**

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2021 and 2020:

	<b>2021</b>			
	<b>Charitable Remainder Unitrusts</b>	<b>Promises to Give</b>	<b>Split-Interest Agreement Liability</b>	<b>Total</b>
Fair value, January 1, 2021	\$ 225,489	\$ 4,527,372	\$ (38,320)	\$ 4,714,541
New contributions	-	746,316	-	746,316
Distributions	-	-	26,425	26,425
Reserve for split-interest	5,757	-	(6,592)	(835)
Payment of promises to give	-	(1,179,265)	-	(1,179,265)
Write-off of promises to give	-	(92,235)	-	(92,235)
<b>Fair value, December 31, 2021</b>	<b>\$ 231,246</b>	<b>\$ 4,002,188</b>	<b>\$ (18,487)</b>	<b>\$ 4,214,947</b>
	<b>2020</b>			
	<b>Charitable Remainder Unitrusts</b>	<b>Promises to Give</b>	<b>Split-Interest Agreement Liability</b>	<b>Total</b>
Fair value, January 1, 2020	\$ 219,692	\$ 1,657,198	\$ (58,079)	\$ 1,818,811
New contributions	-	3,160,746	-	3,160,746
Distributions	-	-	26,425	26,425
Reserve for split-interest	5,797	-	(6,666)	(869)
Payment of promises to give	-	(229,274)	-	(229,274)
Write-off of promises to give	-	(61,298)	-	(61,298)
<b>Fair value, December 31, 2020</b>	<b>\$ 225,489</b>	<b>\$ 4,527,372</b>	<b>\$ (38,320)</b>	<b>\$ 4,714,541</b>

**NORFOLK STATE UNIVERSITY FOUNDATION, INC.  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 12. Office Lease**

The Foundation entered into a lease agreement with the University for office space in July 2020. The lease agreement expires in June 2025 and requires annual payments of \$15,000. The following is a schedule by years and in the aggregate of future minimum lease payments required under this lease:

<u>Years</u>	<u>Amounts</u>
2022	\$ 15,000
2023	15,000
2024	15,000
2025	7,500
	<u>\$ 52,500</u>

**Note 13. Subsequent Event**

On March 18, 2022, the Foundation entered into an agreement, commencing June 1, 2022, to lease the University certain property owned by the Foundation and ending on May 31, 2042. Annual rental payments due to the Foundation for the term of the lease are \$1.



November 10, 2022

Dr. Javaune Adams-Gaston  
 President  
 Norfolk State University  
 700 Park Avenue  
 Norfolk, Virginia 23504

Mr. Devon Henry, Rector  
 Board of Visitors  
 Norfolk State University  
 700 Park Avenue  
 Norfolk, Virginia 23504

Dear Dr. Adams-Gaston and Mr. Henry:

As required by the Revised Memorandum of Understanding and Norfolk State University’s BOV Policy #13 (2015) on University Related Foundations, I hereby certify NSU Foundation, Inc.’s compliance with all requirements for fiscal year 2021-2022.

Requirement	Compliance
1. Copies of Revised Memorandum of Understanding and of BOV Policy #13 (2015) have been circulated among all members of the Foundation staff and its governing board.	Yes
2. Compensation of any kind which the Foundation has provided to any University employees has been approved by the Rector President or their designees prior to payment. A listing of total payments to specific individuals should be attached to the certification letter.	No direct payments to report in 2021. All compensation requests for NSU employees received by NSUF must follow the University HR-1 procedures.
3. An audit by an independent certified public accountant has been completed, and the audit committee of the Foundation has met and reviewed the management letter and response with that auditor.	Yes. The Foundation’s Audit Committee met on August 26, 2022, with the auditors to review the management letter and draft 2021 financials. NSU’s VP/CFO Dr. Gerald Hunter & Executive Budget Director Dennis Jones attended this meeting on behalf of the University.



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	<p>NSUF's Board received and approved the final draft audit at the board meeting on September 8, 2022.</p> <p>Final financials as of December 31, 2021, were provided to the University Controller on October 7, 2022.</p>
<p>4. The annual budget of the Foundation has been approved by the Foundation governing board and has been provided to the Rector or his/her designee.</p>	<p>Yes</p>
<p>5. Written approval has been obtained for any funds the University has borrowed from the Foundation.</p>	<p>N/A</p>
<p>6. Written approval has been obtained from the Board of Visitors and the Rector for any substantial proposed business ventures or changes in the nature, scope, or purpose of the Foundation.</p>	<p>N/A</p>
<p>7. Other specific requirements as mutually agreed upon by the Foundation governing board and the President or his/her designee.</p>	<p>Yes</p>

Sincerely,

Crystal D. Jenkins  
 Executive Director  
 NSU Foundation, Inc.