

WILLIAM & MARY

BOARD OF VISITORS
COMMITTEE ON AUDIT, RISK AND COMPLIANCE
DRAFT MINUTES
APRIL 25, 2024
ROOM 302 – BLOW MEMORIAL HALL

COMMITTEE MEMBERS PRESENT

Ms. Cynthia E. Hudson, Chair
Mr. John P. Rathbone, Vice Chair
Ms. Laura Keehner Rigas

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

COMMITTEE MEMBERS ABSENT

Mr. C. Michael Petters

OTHER BOARD MEMBERS PRESENT

Mr. Stephen J. Huebner

Ms. Taylor V. Brings, Staff Liaison

OTHERS PRESENT

Dr. Katherine A. Rowe, President
Ms. Carrie Nee, University Counsel
Dr. Virginia M. Ambler, Senior Vice President for Student Affairs
Mr. Ed Aractingi, Chief Information Officer
Mr. Donald Butler, AVP for Public Safety and W&M Chief of Police
Mr. Kent Erdahl, Director of Internal Audit
Ms. Pamela Mason, Chief Compliance Officer/FOIA Officer
Ms. Tawanda Johnson, Chief Human Resources Officer
Dr. Suzanne Raitt, Dean of the Faculty of Arts & Sciences
Mr. Tarikel Islam, Senior Associate Dean for Arts & Sciences Finance & Administration
Dr. Debbie Sydow, President, Richard Bland College
Ms. Stacey Sokol, Chief Business Officer, Richard Bland College
Mr. Eric Kondzielawa, Chief Operating Officer, Richard Bland College
Mr. Eric Sandridge, Auditor of Public Accounts Deputy Auditor for Technology and Innovation
Mr. Michael Fox, Senior Assistant to the President and Secretary to the Board of Visitors
W&M Faculty and Staff

INTRODUCTORY REMARKS

Ms. Cynthia E. Hudson, Chair, called the meeting to order at 8:00 a.m.

APPROVAL OF MINUTES

Recognizing that a quorum was present, Ms. Hudson asked for a motion to approve the minutes of the February 7, 2024 meeting. The motion was made by Mr. John P. Rathbone, seconded by Mr. J.E. Lincoln Saunders and approved by voice vote.

AUDITOR OF PUBLIC ACCOUNTS REPORT

Mr. Eric Sandridge, Deputy Auditor for Technology and Innovation at the Virginia Auditor of Public Accounts (APA), discussed the 2023 audit results. Mr. Sandridge communicated that the audit period is for the year ending June 30, 2023. The APA work is substantially complete, and Mr. Sandridge is fully anticipating an unmodified opinion. He reported two William & Mary adjustments to the financial statements, both related to technical changes with no impact on net assets.

A management report on internal controls will be issued in May and will contain one recommendation for William & Mary and nine recommendations for Richard Bland College. All the internal control findings are expected to be reported as “deficiencies”. Mr. Sandridge reported that most of the Richard Bland College internal control findings related to Information Technology. He further noted that Richard Bland College has experienced turnover in their Information Technology staffing and has prioritized operations over remediation, which has contributed to the level of findings (including repeat findings).

The APA auditors agreed with adjustments to financial statements and found no identification of any additional significant risks. The audit found no indication of fraud and overall the audit was a smooth and clean audit. Mr. Sandridge previewed some Governmental Accounting Standards Board standards and changes anticipated for next year’s audit.

DIRECTOR OF INTERNAL AUDIT REPORT

Mr. Kent Erdahl, Director of Internal Audit, provided an overview of the recently completed audit of the William & Mary Police Department (WMPD). He indicated that the audit was performed due to a change in leadership, which is normal practice; and it had been many years since the last audit of WMPD. Two audit observations related to payroll matters. The William & Mary payroll system configuration makes the WMPD payroll overly complicated. Internal Audit and members of HR and Payroll recommend aligning WMPD pay periods with the rest of the university. This recommendation could be accomplished with the upcoming Workday implementation. The audit noted that WMPD Holiday Pay treatment does not follow university policy; the Chief Human Resource Officer will evaluate the policy and consider revising to align with current practice. Other recommendations related to enhancing evidence room security and expanded use of technology, including officers accessing real-time information through computers in police vehicles.

Internal Audit has recently hired two new auditors, and Mr. Erdahl is actively recruiting for a staff auditor. Mr. Erdahl, in consultation with Mr. Edward Aractingi, Chief Information Officer, and other Information Technology team members, identified Baker Tilly for outsourcing IT audit functions. Baker Tilly has experience with Workday implementation support and specializes in higher education clients.

CHIEF COMPLIANCE OFFICER YOUTH PROGRAM REPORT

Ms. Pamela Mason, Chief Compliance Officer, presented a special report to the committee on the progress of new training and background check requirements under the Policy for Protection of Minors on Campus. Training has been provided to over 90 youth program supervisors and has included risk reduction practices and risk management protocols.

CLOSED SESSION

Ms. Hudson moved that the Committee on Audit, Risk and Compliance convene into closed session pursuant to Virginia Code Sections: §2.2-3711.A.1 to evaluate the performance of the following Departments or Offices at William & Mary: Athletics, Advancement, IT, Facilities, Finance & Administration, Compliance & Equity, Admissions, Campus Security, Residence Life, Facilities Management, Dean of Students, Arts & Sciences, Auxiliary Services and Internal Audit where such discussion will necessary involve discussion of performance of specific individuals; §2.2-3711.A.1 for discussion of the performance of individual employees in the Office of the Dean of Arts & Sciences and the internal auditor; and §2.2-3711.A.8 for consultation with legal counsel regarding litigation

risks and regulatory compliance. The motion was seconded by Mr. Rathbone and approved by roll call vote – 5-0 – conducted by Mr. Michael J. Fox, Secretary to the Board of Visitors. Mr. C. Michael Petters was absent from the meeting.

At that time the Committee and Board members, President, University Counsel, members of the Executive Leadership Team, Dean of the Faculty of Arts & Sciences, Senior Associate Dean for Arts & Sciences Finance & Administration, Chief Human Resources Officer, Chief Information Officer, Chief Compliance Officer/FOIA Officer, and AVP for Public Safety and W&M Chief of Police entered the closed session meeting at 9:04 a.m.

RECONVENED OPEN SESSION

Following the closed session, the Committee returned to open session at 9:44 a.m. Ms. Hudson moved that the Committee certify by roll call vote that, to the best of each member's knowledge, only matters lawfully exempted from the open meeting requirements under the Freedom of Information Act were discussed, and only matters identified in the motion to have the closed session were discussed. Motion was seconded by Mr. Rathbone and approved by roll call vote – 5-0 – conducted by Mr. Fox. Mr. Petters was absent from the meeting.

ADJOURNMENT

There being no further business, Ms. Hudson adjourned the meeting at 9:44 a.m.