

**OLD DOMINION UNIVERSITY
BOARD OF VISITORS
Audit, Compliance, and Human Resources Committee**

April 24, 2025

MINUTES

The Audit, Compliance, and Human Resources Committee of the Board of Visitors of Old Dominion University met on Thursday, April 24, 2025 from 12:45 p.m. to 2:00 p.m. in the Board Room of the Kate and John Broderick Dining Commons. Present from the Committee were:

Robert S. Corn, Chair
Ross A. Mugler, Vice Chair
P. Murry Pitts (*ex-officio*)
Andrew Hodge (*ex-officio*)
Elza Mitchum
Florescia Segura

Absent from the Committee: Claire Wulf Winiarek
Steve Hsiung (*Faculty Representative*)

Also present from the Board: E.G. (Rudy) Middleton, III
Rick Wyatt

Also present were:

Brian O. Hemphill, President	Kimberly Osborne
Alfred Abuhamad	Brian Payne
Austin Agho	Stacy Purcell
Ashleigh Boothe	Chad Reed
Alonzo Brandon	Tina Russell
Ken Fridley	September Sanderlin
Annie Gibson	Ashley Schumaker
Nina Rodriguez Gonser	Wood Selig
Stephanie Jennelle	Fred Tugas
LaToya Jordan	Rob Wells
Mary Jo Karlis	JaRenae Whitehead-Cooper
Amber Kennedy	Kelsey Wilkinson
Casey Kohler	Allen Wilson
Brandi Hephner LaBanc	Kimberly Wilson

- I. **Call to Order** – Chair Robert S. Corn called the meeting to order at 12:30 p.m.
- II. **Approval of Minutes** – Upon a motion made by Vice Chair Ross Mugler and duly seconded by Andrew Hodge, the minutes of the Audit, Compliance, and Human Resources Committee meeting held on December 5, 2024, as presented, were approved by all members present and voting (*Corn, Mugler, Pitts, Hodge, and Segura*).

President Brian O. Hemphill, Ph.D. welcomed to the University LaToya Jordan, Senior Associate Vice President for Audit and Compliance, who serves in the role as the Chief Audit Executive per the bylaws.

III. **Report from Senior Associate Vice President for Audit and Compliance – LaToya Jordan**

A. **Introduction** – Senior Associate Vice President Jordan thanked President Hemphill for the warm welcome and kind introduction to the Board and the Committee. She shared with the committee that she brings 18 years of experience with the Auditor of Public Accounts (APA), serving in various audit oversight roles, including Deputy Auditor and Reporting and Standards Audit Director. She also has experience with the Department of the Treasury in general accounting, financial reporting, and compliance. In addition, she is actively involved with multiple professional audit and accounting organizations.

B. **Audit Plan Update – Completed Engagements**

- i. Batten College of Engineering and Technology – Completed report since the December 2024 committee meeting. The audit of the Batten College of Engineering and Technology, which spanned fiscal periods 2020 through early 2025, was completed, concluding that internal controls were partially effective with no significant exceptions identified. The goal is to determine that the college has adequate internal controls over its significant fiscal activities and financial transactions, to ensure that the college is compliant with applicable policies and procedures, and lastly, to ensure that they maintain efficient and effective operations. The report included eight findings, ranging from minor to moderate and corrective action is being handled by management.
- ii. EVMS Research and Development FY2024 – The engagement was completed, with no report deemed necessary for issuance. This was a federal compliance audit completed on legacy EVMS research and development grants by an external CPA firm with the assistance of internal audit. Since the federal funding shifted to the Research Foundation post-merger, compliance

with federal regulations as it pertains to the funding is no longer the responsibility of current management at ODU, hence no report was issued.

- iii. Status of Open Audit Findings Since November 2024 – As of November, there were 12 open action items. Since then, management has completed corrective actions for three items, eight remain in progress, and three are planned. Two additional findings were added following the enterprise data storage and recovery report issued in November 2024. The auditor noted that they are actively following up with management, progress is being made, and all findings remain on management’s radar.

C. Audit Plan Update - Discussion of Active Engagements – Senior Associate Vice President Jordan reported that eight audits are currently active, with five in the fieldwork stage and three in the planning stage. For the audits that have not yet started, the goal is to begin them by early to mid-May, and planning discussions for those engagements are already underway.

- i. Provisioning of Affiliate Access – Fieldwork status
- ii. Onboarding Processes (Classified and AP Faculty) – Fieldwork status
- iii. Honors College – Fieldwork status
- iv. Indigent Care Apportionment Plan FY2024 EVMS Activities – Fieldwork status
- v. Veteran Affairs Post – 9/11 GI Bill Benefits FY2024 EVMS Activities – Fieldwork status
- vi. Graduate School – Planning status
- vii. University Travel – Planning status
- viii. Amazon Web Services Cloud Computing Environment – Planning status
- ix. Advisory Engagements and Other Activities – Ongoing status

D. Proposed Modification to FY2025 Audit Plan – Senior Associate Vice President Jordan shared with the Committee a recommendation to modify the audit plan to remove the petty cash engagement, citing low risk. As of early April, the University's petty cash balance is \$3,093, with no reported misuse or theft. The engagement had 125 hours allocated in the work plan, but based on historical reviews, it was determined to be quantitatively and qualitatively insignificant. Mr. Mugler motioned to approve the FY25 Audit Plan modification as recommended. The motion was seconded by Mr. Hodge and approved by all members present and voting (*Corn, Mugler, Pitts, Hodge, Mitchum, and Segura*).

E. Planning for FY2026 Audit Plan – Senior Associate Vice President Jordan reviewed the risk assessment process. Mr. Pitts asked about updating the audit plans, and she

shared that she is working on developing a robust, risk-based audit plan to support the FY2026 audit plan. Stakeholder engagement is underway, and a concise electronic survey will be sent to committee members, the President, Cabinet, and other key members to gather input on significant risk factors. The goal is to finalize the updated audit plan for Board approval by September, slightly after the start of the new fiscal year. It was noted that from an external financial statement audit perspective, the University has outstanding internal control and compliance significant deficiencies and a material weakness in financial reporting. Executive Vice President for Administration and Finance and Chief Financial Officer Chad Reed and his team are actively working on corrective actions. APA is currently conducting the FY24 financial statement audit. Executive Vice President Reed shared that the University has faced challenges since the 2022 audit, primarily due to high turnover and lengthy APA audit cycle that didn't allow for implementing corrective measures between audits. To address these issues, KPMG was brought in to help revamp the preparation of financial statements. Significant hires were made in the controller's office, including Stephanie Jennelle as Senior Associate Vice President for Finance and Randy Ellis as Assistant Vice President for Finance and University Controller, who is now leading the financial statement preparation. Efforts to clean up longstanding issues have shown improvement in the current cycle. Additionally, Senior Associate Vice President Jordan's prior experience with the APA will be leveraged to enhance financial processes. Overall, the organization is reinvigorating its approach to financial reporting and management to ensure better outcomes moving forward.

- F. Compliance Program Update – Since last April, ODU's Compliance Officer, Tina Russell, has been working on creating a comprehensive compliance matrix for the University, replacing the existing compliance calendar. This matrix aims to catalog all significant local, state, and federal compliance requirements, ensuring University compliance owners are informed and up to date. The matrix is intended to be adaptable to changes in compliance requirements and is expected to be launched at the beginning of the fiscal year. It will also include an automated notification system to alert compliance owners about upcoming report issuances, enhancing awareness and preparedness across the University.

IV. Report from the Vice President for Talent Management and Culture – September Sanderlin

- A. Minimum Wage Updates – Effective January 1, 2025, the Virginia minimum wage increased from \$12.00 to \$12.41 per hour. There is no impact to University employees, as the lowest paid employee is currently earning \$12.85 per hour.

- B. Classified Turnover Rates – As required by Virginia Code, the University must report classified (voluntary) turnover rates. A goal is set, and if there is a variance greater than 15%, the state will follow up. For FY24, the University’s classified turnover rate dropped from 14.88% to 12.78%. This rate includes both salaried exempt and non-exempt classified employees. In FY25, data will include EVMS legacy employees as well.
- C. Division Transformation – Vice President Sanderlin shared with the committee an overview of the Division of Talent Management and Culture’s transformation. Eighteen months ago, the division began a significant restructuring effort, focused on breaking down and rebuilding processes to enhance effectiveness. A comprehensive study by Huron Consulting, along with the University's strategic plan, feedback from listening tours, and President Hemphill’s interactions with the campus community, informed the development of a new strategic plan. Considerations from the 2023 Budget Summit and the strategic plans of other divisions were also factored in. The division's new tagline is “Transforming Talent, Elevating Excellence.” Vice President Sanderlin highlighted the new mission, vision, values, and overarching goals, with the division-wide contribution to values, such as compassion, ensuring a compassionate lens is applied in challenging situations. Strategic goals include: *Innovation*, with initiatives like an Human Resources scorecard, dashboards, analytics for hiring and compliance, a pilot AP evaluation process, and a future Human Resources chatbot with the Division of Digital Transformation & Technology partnership; *Engagement and Collaboration*, by revamping onboarding with the new “Royal Start” program to foster early engagement and retention; *Promoting an Integrated Workforce*, by further streamlining processes across the entire University on every campus and all centers; *Workplace Culture*, with strengthened CAPTRUST financial engagement opportunities and the addition of ombudsperson services on the main campus; and *Transforming the Division*, through a new name “Talent Management and Culture” and the adoption of the Human Resources Business Partner model. Vice President Sanderlin welcomed Senior Associate Vice President and Chief Human Resource Officer Kimberly Wilson and new members Colby Kravchak and Diane Holland by mentioning their contributions to the division's continued momentum and future successes.
- D. Points of Pride – Vice President Sanderlin shared with the committee several points of pride. On April 10, 2025, the University celebrated Monarch Milestones, recognizing service and awards across the campus community. Among the highlights, Linda Wallace was honored for 45 years of classified service. Sanderlin also announced Angel Hicks as the 2025 Customer Relations Employee of the Year and Kristen Rosser as the inaugural winner of the 2025 Rising Monarch Award.

E. Administrative and Professional Faculty Appointments – Vice President Sanderlin shared with the Committee that there were 70 Administrative and Professional Faculty appointments. President Hemphill clarified that Human Resources handles all Administrative Professional Faculty appointments that aren't Teaching and Research appointments. Mr. Mugler made a motion of recommendation to approve the appointments. The motion was duly seconded by Mr. Hodge and approved by all present and voting (*Corn, Mugler, Pitts, Hodge, Mitchum, and Segura*).

V. Adjournment – There being no further business, the meeting adjourned at 1:16 p.m.