

APPROVED BY COMMITTEE 4/21/16

OLD DOMINION UNIVERSITY  
BOARD OF VISITORS

AUDIT COMMITTEE  
Thursday, December 3, 2015

MINUTES

The Audit Committee of the Board of Visitors met on Thursday, December 3, 2015 at 8:33 a.m. in the Board of Visitors Room on the Norfolk campus. Present from the Committee were:

Judith O. Swystun, Chair  
Mary E. Maniscalco-Theberge '78  
Ronald C. Ripley '72 (*ex-officio*)  
Robert M. Tata '86

Other Board of Visitors members present were:

Charles Chiou

Absent were:

David L. Bernd  
John F. Biagas, (*ex-officio*)  
Frank Reidy

Also present were:

President John R. Broderick	R. Earl Nance
David F. Harnage	Ellen J. Neufeldt
Velvet L. Grant	Amanda G. Skaggs
Casey Kohler	September C. Sanderlin
Donna W. Meeks	

The Chair called the meeting to order at 8:03 a.m. Dr. Maniscalco-Theberge moved to approve the minutes from the September 24, 2015 meeting. Mr. Tata seconded the motion and the minutes were unanimously approved by all members present and voting. (*Maniscalco-Theberge, Swystun, Tata*)

Chief Operating Officer David Harnage reported on the University's annual review of its Identity Theft Protection Program as required by Board Policy 1601. This review evaluates the University's security plan and how breaches would be handled should they occur. The Office of Finance has reviewed operational practices and conducted the required training for this policy. At

this time no changes are recommended to the University's operating practices. This report puts the University in compliance with the Board of Visitors policy on this topic.

Amanda Skaggs, Internal Audit Director, discussed the four phases of University audit projects and incorporated the status of the audits underway in the Auditor's Office. She noted that these phases are pre-populated in the University's audit software so that no phases can be overlooked.

The first phase, called the planning phase, begins when an auditor determines if there are threats to their independence. Once this has been established, the auditor sends a formal engagement memo to the appropriate department about the upcoming audit. Background research is conducted without engaging the department. Departments with audits in the planning phase include Payroll Processing and Strategic Communication and Marketing.

Next in the audit process is the preliminary survey phase. This involves looking at internal documents, sending out questionnaires and meeting with department management in order to gain a good understanding of the operation and the risks. A draft audit program is created which includes determining the most important controls that should be tested. Currently, Counseling Services is in the preliminary survey phase.

The third phase is audit execution. This is where the auditor formally documents all risks, controls, tests and any exceptions or findings. Audits in this phase include Sensitive Data Federal/State IT Compliance, Campus Network and Virginia Modeling Analysis and Simulation Center (VMASC).

The final phase in the process of an audit is reporting. Audit findings are reported to the appropriate University officials and are confidential. These findings will be discussed in the Audit Committee's closed session.

Dr. Maniscalco-Theberge requested an SOP of the phases discussed by Ms. Skaggs so that the Committee can gain a better understanding of the audit process flow.

Ms. Skaggs briefed the Committee on the Compliance Calendar, an informal project which is underway. This effort involves all areas of the University. Departments document all non-internal functions with which the University must comply. Examples of these include accreditations, state and federal regulations. This effort involves documenting the activity, its due date, the responsible department and the responsible position within the department. Vice presidents can use this data as a performance measure for staff members. The calendar is published annually on the University's website and is available for public review.

Ms. Skaggs announced that the Auditor's Office is now fully staffed. Lauren Eady was hired in October as a Senior Auditor. Ms. Eady brings to the University experience in governmental audits, regional certified public accounting firms, and is a certified fraud examiner.

Next, Dr. Maniscalco-Theberge read a closed session statement and moved to convene in closed session. Mr. Tata seconded the motion. The Committee then received, in closed session, details of recent audits and reviews performed in the areas of ARMICS/Banner Security Controls,

Office of the President and Special Events, Banner Database, Revenue Contracts, College of Continuing Education and Professional Development, and the status of past audit recommendations.

The Committee reconvened in open session. The Chair read the certification statement for the closed session. The certificate was unanimously approved and agreed upon by all members present and voting. (*Maniscalco-Theberge, Ripley, Swystun, Tata*)

There being no further business, the meeting was adjourned at 8:58 a.m.