

APPROVED BY COMMITTEE 4/25/19

OLD DOMINION UNIVERSITY
BOARD OF VISITORS
AUDIT COMMITTEE
December 6, 2018

II. Report from the Chief Audit Executive – Ms. Amanda Skaggs, Chief Audit Executive, presented the Active Audits and Completed Audit Reports, along with an update on Open Action Items

A. Active Audit Projects:

Office of the University Registrar

Integrated audit looking at the department's operations as well as technology used to track degree progress and certification for graduation along with controls over grade changes. Also reviewed compliance reporting for military students, how exceptions are processed for deviations to the degree program, how domicile decisions are made, review of contract for transcript services and review of budget monitoring in place for department expenses.

Department of Human Resources

Broad review of Human Resources from operational prospective, looking at benefits, compensation, worker comp, temp pay, terminations, tuition assistance, telework, performance appraisals and central University controls, access into the state system, also budget management and travel expenses, etc.

College of Health Sciences

This audit is in the detailed test work phase. Some of the areas being reviewed include assets, staffing levels within the nursing program, student specific requirements in the health sciences degree, degree requirements, college involvement in graduation and certification process. Some completed work will be included but very limited for the PT Clinic and DH Clinic since there has been recent audit work in these clinics.

Transportation and Parking Services

This is an integrated audit (operational and information technology). The operational auditor is focusing on revenue collection practices, and contract administration. The operational piece is moving a little ahead of the IT piece, but confident they will come together in the end.

Mr. Tata asked if parking pays for itself, or if it pays for other things as well or does it break even? Ms. Skaggs responded it covers their own expenses, she then deferred to Mr. Todd Johnson, Assistant Vice President for Auxiliary Services, to respond. Mr. Johnson said the one big cost for parking is maintaining the parking infrastructure and grows with need to beef them up; it also goes towards paying salaries as well as maintenance.

Confucius Institute

Ms. Skaggs said they are also reviewing the Confucius Institute audit, which is the result of a letter two years ago from Han to look into it. An audit was performed related to calendar year 2015. Since recommendations at that time were not implemented for 2016, this engagement will cover both 2016 and 2017.

Mr. Bradley asked if ODU is receiving federal money for the institute? Ms. Skaggs responded there is no federal money provided, everything is from Hanban, directly from China; in turn, Old Dominion University has to respond how they will spend the funds. At the end of the calendar year, they must report if the funds were spent, or hold back on funds for next year if not all funds were spent.

Mr. Tata asked to be reminded what exactly is the Confucius Institute? Ms. Skaggs responded that it is to further Chinese programs and teach the Chinese language

President Broderick added there is also a faculty exchange program involved as well. Ms. Skaggs added that teachers are also brought in to teach at the Norfolk Public School System.

Payment Card Industry (PCI) Compliance
Looking at payment card industry compliance, the audit has been kicked off and some preliminary meetings have been held, which will allow Audit to determine which detailed tests to conduct.

Institutional Scholarships
Looking at institutional scholarships, about \$28 million in 23 different accounts, looking at controls and funding, as well as how they are being disbursed.

Active Directory
We have started on the Active Directory engagement. The Active Directory provides an integrated and single sign system. An initial meeting has been held to formally engage those responsible.

Other
Ms. Skaggs noted that they recently reported on two hotline investigations. All allegations were noted as unsubstantiated.

Lastly, Ms. Skaggs reported that Fort Hill Associates has been hired to perform construction auditing services.

B. Completed Audit Reports:

FY2018 Annual Audit of the President's Office
Ms. Skaggs briefed the Committee on the objectives of the audit and noted that the controls that are in effect for expenditures during FY2018 were strong. There were no reportable issues.

Mr. Bradley asked why is the President's Office audit is done every year. Ms. Skaggs responded it was requested in the past for transparency purposes. She

added that it is not a high-risk audit and, therefore, they do not spend a lot of hours on it in comparison to other audits. Mr. Bradley suggested doing the

Vice President DuBois added that this system is safe and secure with no known breach; however, there is no need for use of Social Security Numbers, so they will be replaced.

- x Panic Buttons are located throughout the campus that interface with CS Gold but they are not periodically tested for operational integrity. Only 10 in past 12 months have been tested. Recommend developing a test policy and plan for all buttons.

Vice President DuBois said there is a mix of old and new technology for panic buttons; he called on Assistant Vice President Waterfield to speak to CS Gold now, and noted the legacy ones use the old analog system and also don't set the buttons after you use if they are now transitioning all buttons to the new CS Gold.

Vice President Neufeldt said all of her areas have them in case of emergency situations for counseling and other times.

Vice President DuBois said one

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Mr. Bradley asked if there is