Minutes

COMMITTEE MEMBERS PRESENT

Mr. Peter Farrell, Vice Chair
Mr. Keith Parker
Dr. Tonya Parris-Wilkins
Ms. Coleen Santa Ana
Ms. Alexis Swann

COMMITTEE MEMBERS ABSENT

Dr. Shantaram Talegaonkar, Chair
Mr. Andrew Florance

OTHERS PRESENT

Ms. Karen Helderman
Dr. Michael Rao, President
Mr. Jacob Belue
Staff from VCU

CALL TO ORDER

Mr. Peter Farrell, Vice Chair, called the meeting to order at 7:45 a.m.

APPROVAL OF MINUTES

Mr. Farrell asked for a motion to approve the minutes of the December 10, 2021 meeting of the Audit, Integrity and Compliance Committee, as published. After motion duly made and seconded the minutes of the December 10, 2021 Audit, Integrity and Compliance Committee meeting were approved. A copy of the minutes can be found on the VCU website at the following webpage http://www.president.vcu.edu/board/minutes.html.
Audit, Integrity and Compliance Committee Dashboard Measures

Karen Helderman presented the current status of the dashboard measures. Indicators for Data Security, ERM Program and Ethics and Compliance Program Oversight were yellow and other indicators were green.

Report from the Executive Director of Audit and Compliance Services
Karen Helderman gave an update on the fiscal year 2022 audit work plan completion.

Audit Update for Information
Karen Helderman reported the results of four recent audits involving Grants and Contracts, The Child Development Center, Operations and Services Agreements with the Health System and the School of Social Work. There were no Board level findings. Suzanne Milton, Chief Ethics and Compliance Officer provided an overview of compliance trends and discussed plans to benchmark and measure the effectiveness of training and communications on improving VCU’s culture of integrity. She noted the volume of reported concerns is up seven percent over the same period last year and about ten percent of the individuals reporting concerns continue to express fear of retaliation. The campus-wide training currently underway is aimed at reminding everyone that VCU does not tolerate retaliation. Finally, Alex Henson, Chief Technology Officer, provided a technology update focused on four themes: IT Infrastructure Optimization, Hybrid University Transformation, Strategic Partnerships and Diversity and Inclusion in the IT Workforce.

CLOSED SESSION

On motion made and seconded, the Audit, Integrity, and Compliance Committee of the Virginia Commonwealth University Board of Visitors convened into closed session under Section 2.2-3711 (A)(7) and (8), of the Virginia Freedom of Information Act for consultation with legal counsel pertaining to specific legal matters requiring legal advice by counsel and actual or probable litigation, where such consultation of briefing in open meeting would adversely affect the negotiating or litigating posture of the university, namely a survey of and status report on the university’s positions in potential and current litigation in state and federal courts and other legal matters relating to pending investigations; and under Section 2.2-3711 (A)(19) for discussion of specific cybersecurity vulnerabilities and briefing by staff concerning actions taken to respond to such matters, specifically pertaining to human subjects research data and related IT processes.

RECONVENED SESSION

Following the closed session, the public was invited to return to the meeting. Mr. Farrell, Vice Chair called the meeting to order. On motion duly made and seconded the following resolution of certification was approved by a roll call vote:

Resolution of Certification
BE IT RESOLVED, that the Audit, Integrity, and Compliance Committee of the Board of Visitors of Virginia Commonwealth University certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the Committee of the Board.

<table>
<thead>
<tr>
<th>Vote</th>
<th>Ayes</th>
<th>Nays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Peter Farrell, Vice Chair</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Mr. Keith Parker</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Dr. Tonya Parris-Wilkins</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Ms. Coleen Santa Ana</td>
<td>X</td>
<td></td>
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<tr>
<td>Ms. Alexis Swann</td>
<td>X</td>
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</table>

All members responding affirmatively, the motion was adopted.

A copy of the powerpoint presented is attached hereto as Attachment A and is made a part hereof.

ADJOURNMENT
Board of Visitors
Audit, Integrity and Compliance Committee
March 21, 2022

ATTACHMENT A
For Action: Approval of Minutes

• Audit, Integrity and Compliance Committee Meeting held on December 10, 2021

• Motion to approve the Minutes
Committee Dashboard Measures

- Data Governance Program
- Data Security
- ERM Mitigation Plans
- Planned Audits
- Planned Special Projects
- Ethics and Compliance Program Oversight
Operations and Services Agreement
• Supporting documentation maintained; agreements reviewed & approved annually
• Elements to develop agreements consistently applied & compared to market
• No Board Level Findings

Grants and Contracts Non-Federal
• Adequate management of collections, deficits, grant accounting & expenses
• Conflicts of interests reported & managed, where applicable
• No Board Level Findings
School of Education Child Development Center
• Financial & administrative operations effectively managed
• No Board Level Findings

School of Social Work – Internal Control Compliance Review
• Selected financial & administrative internal control processes followed
• No Priority Level (Red) Findings
Ethics and Compliance Program Update

All vacant positions filled for Integrity and Compliance Office (ICO)

Annual Ethics and Compliance Basics Refresher Course
- Launched 03/01/22
- Completion deadline 4/8/22

State Economic Interest Disclosure complete
- All required disclosures complete
### Policy Updates

<table>
<thead>
<tr>
<th>Total University Policies</th>
<th>Out-of-Date Policies</th>
<th>Key Policies Recently Approved or in Approval Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>167</td>
<td>52 (31.1%)</td>
<td>Threat Assessment and Violence Prevention</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hazing [NEW]</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Effort Reporting [NEW]</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identity Theft Prevention</td>
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<tr>
<td></td>
<td></td>
<td>Alcohol and Other Drugs</td>
</tr>
</tbody>
</table>
“Culture eats strategy for breakfast.”

Peter Drucker, Consultant or Mark Fields, former President, Ford Motor Company

Strong ethical cultures produce positive ethical outcomes including:
- robust employee reporting,
- reduced misconduct,
- reduced retaliation and
- reduced pressure to compromise standards.*

How can we measure the strength of VCU’s ethical culture to guide improvement?
- Employee perceptions of leadership integrity and accountability
- Employee perceptions of safety in speaking up*

* 2021 Global Business Ethics Survey Report, pp. 6-9, 11-23
Ethics Research Center, the research arm of the Ethics & Compliance Initiative
Journey to a Strong Ethical Culture

- VCU’s Culture and Climate Survey measures diversity, inclusion and engagement via “indexes” to focus progress.
- The survey already includes items that would lend themselves to the creation of an “Integrity Index” to help track progress on our vision for a culture of integrity.

<table>
<thead>
<tr>
<th>Questions</th>
<th>Mean/Average 2019 and 2021</th>
<th>2021</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>I can share my ideas or express concerns without fear of repercussions.</td>
<td>3.55</td>
<td></td>
<td>3.52</td>
</tr>
<tr>
<td>Arbitrary action, personal favoritism, and coercion are not tolerated in my</td>
<td>3.66</td>
<td></td>
<td>3.56</td>
</tr>
<tr>
<td>unit.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have trust and confidence in my supervisor.</td>
<td>4.12</td>
<td></td>
<td>3.99</td>
</tr>
<tr>
<td>Leaders maintain high standards of honesty and integrity.</td>
<td>3.74</td>
<td></td>
<td>3.73</td>
</tr>
<tr>
<td>Leaders are held accountable by their superiors.</td>
<td>3.39</td>
<td></td>
<td>3.46</td>
</tr>
</tbody>
</table>

Integrity Index
2019: 3.65
2021: 3.69
FY 22 Midyear Trends vs SPLY in University-Wide Reported Concerns

Total Volume Reported Concerns: 107
- SPLY: 7%

Severity:
- Low: 75
- Medium: 27
- High: 4
- Critical: 1

Top Five Reported Concerns:
- Ethics Violation: 37
- Discrimination: 33
- Retaliation or Retribution: 11
- Health or Safety Concerns: 8
- Abuse of Power: 7

Overall Anonymous Reporting Rate: 24%
- SPLY: 20%
- Other: 76%

Overall Substantiation Rate:
- Unsubstantiated: 36%
- Substantiated: 38%
- Partially Substantiated: 1%
- Other: 1%

Substantiated vs Not Substantiated:

Anonymous vs Not Anonymous:

VCU
<table>
<thead>
<tr>
<th></th>
<th>Cases per 100 Employees</th>
<th>Anonymous Reporting Rate</th>
<th>Substantiation Rate</th>
<th>Concerns of Retaliation</th>
<th>Most Common Issue Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAVEX Benchmark</td>
<td>1.7</td>
<td>58%</td>
<td>42%</td>
<td>0.9%</td>
<td>HR, Diversity, and Workplace Respect</td>
</tr>
<tr>
<td>VCU Internal Benchmark</td>
<td>4.1</td>
<td>22%</td>
<td>42%</td>
<td>4%</td>
<td>Ethics Violation</td>
</tr>
<tr>
<td>Current Fiscal Year</td>
<td>0.6</td>
<td>24%</td>
<td>27%</td>
<td>10%</td>
<td>Ethics Violation</td>
</tr>
</tbody>
</table>
GUIDANCE: Restoring prior DOJ guidance about the need for entities to provide all non-privileged information about all individuals involved in the misconduct to be eligible for cooperation credit;

RESULT: In government investigations, entities will need to identify all individuals involved, not just those “substantially” involved, in the misconduct and provide all non-privileged information about their involvement.

GUIDANCE: Taking account of an entity’s full criminal, civil, and regulatory record in making charging decisions, even if dissimilar from the conduct at issue;

RESULT: In charging decisions, DOJ will review entity’s entire criminal, civil, and regulatory record.

GUIDANCE: Making it clear that prosecutors are free to require the imposition of a monitor for an entity when they determine it is appropriate to do so.

RESULT: In case resolutions, there is no presumption against the imposition of a compliance monitor for the entity, which may be imposed whenever DOJ prosecutors deem it appropriate to do so.

KEY TAKEAWAYS: Monitor compliance and remediate Focus on risks
Takeaways: How ICO is Responding

- Monitor & Audit Compliance, Close Gaps (e.g., conflicts of interest reporting)
- Work with Partners to Refresh & Document EC Programs
- Evaluate Risk & Prioritize Accordingly
- Update ICO Risk Survey & Participate in VCU ERM
2022-23 Technology Roadmap

Board of Visitors Meeting
March 21, 2022
Alex Henson, Chief Information Officer
2022-23 Roadmap Key Themes

- IT Infrastructure Optimization
- Hybrid University Transformation
- Strategic Partnerships
- Diversity & Inclusion in IT Workforce
IT Infrastructure Optimization

Technology Operations Center

Cloud Strategy

Security Infrastructure
Hybrid University Transformation

Classroom Technology Standards
Online Instructional Technologies
Academic Integrity Initiative
Remote Workforce Optimization
Strategic Partnerships

Actively Collaborating to Drive Transformational Innovation

- Strategic Enrollment Management and Student Success
- Office of VP for Research and Innovation
- Office of the Provost
- Health Sciences
- VCU Health System
Diversity, Equity & Inclusion in IT Workforce

RECRUITMENT  RETENTION  DEVELOPMENT  ENGAGEMENT
CLOSED SESSION