



Board of Visitors

AUDIT, INTEGRITY AND COMPLIANCE COMMITTEE THURSDAY, MARCH 20, 2025

1:00 pm

**The Honorable Benjamin Lambert, III Board Room
1213 East Clay Street,
Richmond, VA**

MINUTES

COMMITTEE MEMBERS PRESENT

Mr. Peter Farrell, Chair
Ms. Ellen Fitzsimmons, Vice Chair
Dr. Dale Jones
Mr. Edward McCoy
Mr. P2 Sandhu
Dr. Kenneth Lipstock

OTHER BOARD MEMBERS PRESENT

Mr. Todd Haymore, Rector

OTHERS PRESENT

Ms. Suzanne Milton, *Chief Audit and Compliance Executive, University Audit and Compliance Services*
Dr. Michael Rao, *President*
Mr. Jacob Belue, *Associate University Counsel*
Staff from VCU

CALL TO ORDER

Mr. Peter Farrell, Chair, called the meeting to order at 1:00 p.m.

APPROVAL OF MINUTES

Mr. Farrell asked for a motion to approve the minutes of the December 12, 2024 meeting of the Audit, Integrity and Compliance Committee, as published. After motion duly made and seconded the minutes of the December 12, 2024 Audit, Integrity and Compliance Committee meeting were approved. A copy of the minutes can be found on the VCU website at the following webpage <https://bov.vcu.edu/meetings/minutes/>.

REPORTS AND RECOMMENDATIONS

Audit, Integrity and Compliance Committee Dashboard Measures

Ms. Suzanne Milton presented the current status of the dashboard measures. Indicators for Data Security, Planned Audits and Institutional Compliance Program were yellow and all other indicators were green.

Report from the Chief Audit and Compliance Executive of Audit and Compliance Services

Ms. Suzanne Milton provided the Committee, for review and information, a strategy for Audit and Compliance Services as required by the new Global Standards for Internal Audit. Ms. Milton also reported the results of two recent audits involving Facilities Management – Deferred Maintenance and Capital Assets and Real Estate Internal Control Compliance Review. There were no Board level findings. The Chief Audit and Compliance Executive also discussed the Planned Audits status dashboard. Planned audits changed from green to yellow. One risk-based audit and one internal control compliance review will be removed from the FT2025 audit plan due to staff turnover and an uptick in special projects, including OSIG cases and management requests.

Integrity and Compliance Office Update

Mr. Jason Block, Chief Ethics and Compliance Officer, provided an Ethics and Compliance update. He noted the volume of reported concerns for the first six months of fiscal year 2025 is up by about 53% over 2024. While the raw numbers are up, the proportion of the severity of cases is consistent with last year. The increase can be attributed to our emphasizing a “speak up culture” and to more people being aware of the work that the Integrity and Compliance Office does. 11 percent of the reported concerns were made anonymously compared to 21 percent over the same period last year and 30 percent the year before (a positive trend). He noted that in three out of four categories in the NAVEX Benchmark, VCU does better than the national average. The one exception is reports of fears of retaliation, which the ICO is actively working to address through trainings, including the required annual training, targeted micro-learning and other engagements with employees.

Equity and Access Services Update

Cleo Magwaro, Associate VP of Equity and Access Services, provided information and data concerning VCU’s compliance programs related to civil rights including Americans with Disabilities Act and accessibility; equal employment opportunity/affirmative action; protection of minors; and, sex- based discrimination (also referred to as Title IX).

Information Technology Update

Alex Henson, Chief Information Officer updated the committee on major projects including the new technology operations center, Generative AI, VCU Alert changes, Mobile App redesign and Research Computing review. He also provided updates on Information Security.

CLOSED SESSION

On motion made and seconded, Audit, Integrity and Compliance Committee of the Board of Visitors of Virginia Commonwealth University convene in a closed session under Section 2.2-3711 (A)(1) of the Virginia Freedom of Information Act for the discussion of the assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body, more specifically relating to discussion of disciplinary actions and other remediation related to a failure in the degree awarding process and an investigation of potential misconduct related to a state-funded project; and under Section 2.2-3711 (A)(7) and (8) for the discussion of matters requiring the provision of legal advice by counsel, relating to an update on potential and current litigation in state and federal courts and other legal matters relating to pending investigations; and pursuant to 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 relating to an audit report involving data security and certain IT processes

RECONVENED SESSION

Following the closed session, the public was invited to return to the meeting. Ms. Fitzsimmons, 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.

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Ms. Ellen Fitzsimmons, Vice Chair	X	
Dr. Dale Jones	X	
Mr. Edward McCoy	X	
Mr. P2 Sandhu	X	

All members responding affirmatively, the motion was adopted.

ADJOURNMENT

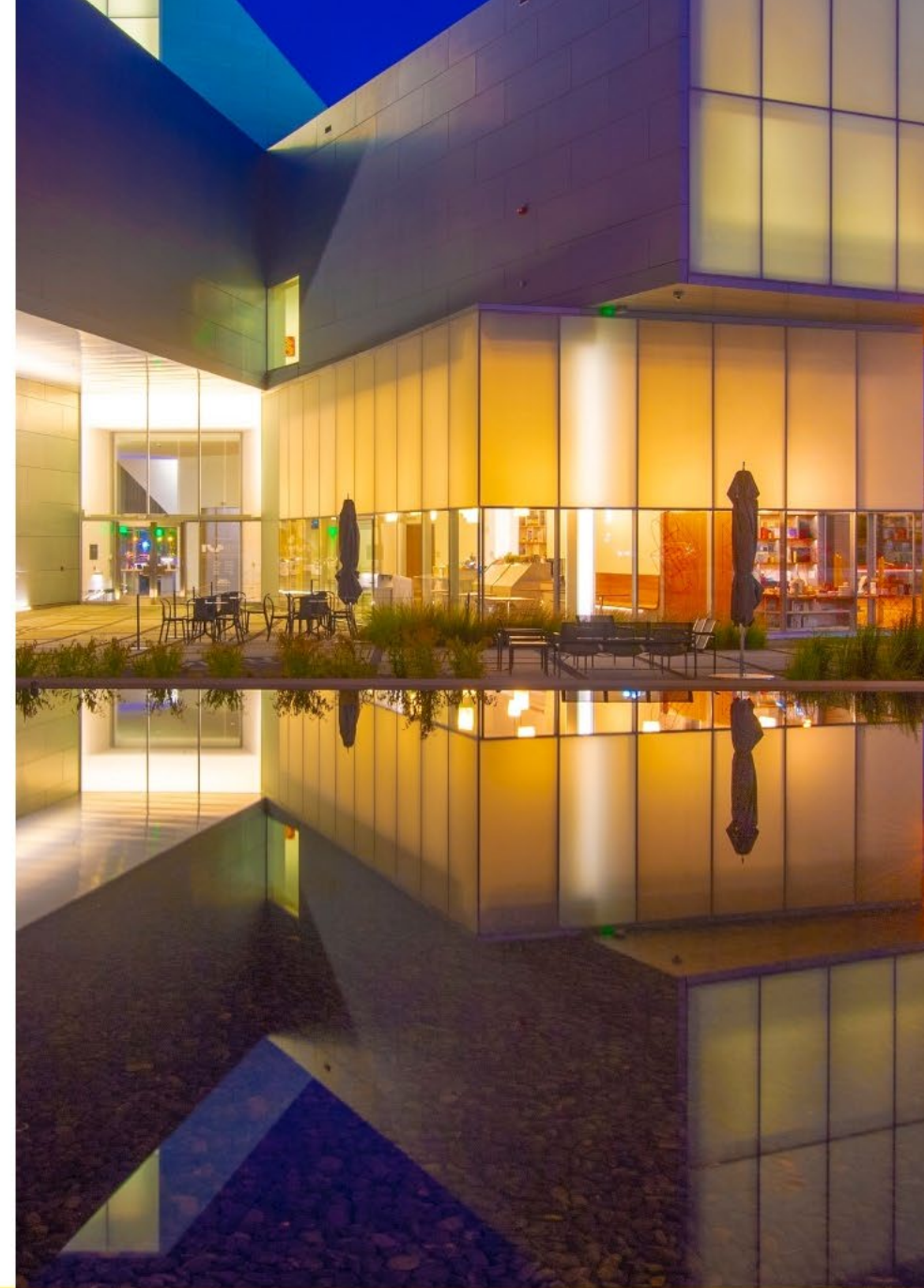
There being no further business Ms. Fitzsimmons, Vice Chair, adjourned the meeting at 2:26 p.m.

ATTACHMENT A

VCU BOARD OF VISITORS

Audit, Integrity and Compliance Committee

March 20, 2025



For Action: Approval of Minutes

- Audit, Integrity and Compliance Committee Meeting held on December 12, 2024
- Motion to approve the Minutes







Strategy* for Audit and Compliance Services VCU and VCU Health

Includes overall Vision, Strategic Objectives, and
Supporting Initiatives for our:

- People
- Processes
- Organizational Performance

*Required by the Global Standards for Internal Audit, effective January 1, 2025

Committee Dashboard Measures

-  Data Governance Program
-  Data Security
-  ERM Mitigation Plans
-  Planned Audits
-  Planned Special Projects
-  Ethics and Compliance Program Oversight

Ethics and Compliance Update: **Clery Act Compliance**



Report Intake

Now **understand** how departments **receive reports** that **could have Clery implications**

Working to streamline that process with individual units



Reconciliation

Held **first round of reconciliation meetings**

Ensuring **cases are not counted more than once** if Clery reportable



Next Steps

Integrate Stop Campus Hazing Act of 2024

Hold **2-day Clery Basics Training** in April

Refine internal reporting and counting **processes**

Ethics and Compliance Update: **Training and Communications**



Annual Training

- Required Training Release launched in January, 2025
- Refresher on speaking up, investigations
- Optional survey - Great feedback



Future Focus

- Earlier, more frequent engagement with employees
- New Onboarding module
- Core set of E&C tools - The Basics
- Nurturing the ICO-HRP relationship

Ethics and Compliance Update: **Investigations and Analytics**

YOY Reported Concerns

Severity	Mid-year FY24	Mid-year FY25
High	8.6%	3.5%
Medium	37.6%	39.4%
Low	53.7%	57%

Ethics and Compliance Update: **Investigations and Analytics**

FY25 Midyear Trends vs. Benchmarks in Reported Concerns					
	Cases per 100 Employees	Anonymous Reporting Rate	Substantiation Rate	Concerns of Retaliation	Most Commonly Reported Issue Type
FY2025 VCU (Q1 & Q2)	1.09	11%	30%	8%	Discrimination Based on Protected Class
FY2024 VCU Internal Benchmarks	2.45	21%	58%	7%	Ethics Violations
NAVEX Benchmark	1.70	50%	43%	1.72%	HR, Diversity, and Workplace Respect

Capital Assets and Real Estate Internal Control Compliance Review

Audit Scope:

Reviewed selected controls and compliance areas for FY2024

- ARMICS
- Purchasing
- Banner certifications
- Records management

No issues noted

Facilities Management – Deferred Maintenance

Conclusion: Facilities Management managed the deferred maintenance program adequately to execute existing and planned deferred maintenance projects

Audit Scope:

- Facilities Management develops the deferred maintenance schedule objectively according to need, and the schedule is documented and appropriately approved
- Facilities Management manages the deferred maintenance program to execute existing and planned projects

No Board level findings

Semi-Annual Follow-Up Status

One of 14 open issues did not meet the target date reported at the September Audit and Compliance Committee Meeting. The responsible VP provided a new date below. Details in handouts.

Finding	Due Date	Revised Due Date	VP on Target
Complete Efforts to Standardize a Policy Statement and Procedures for Academic Administrator Contracts (Academic and Executive Administrator Contract)	December 2024	July 2026	N

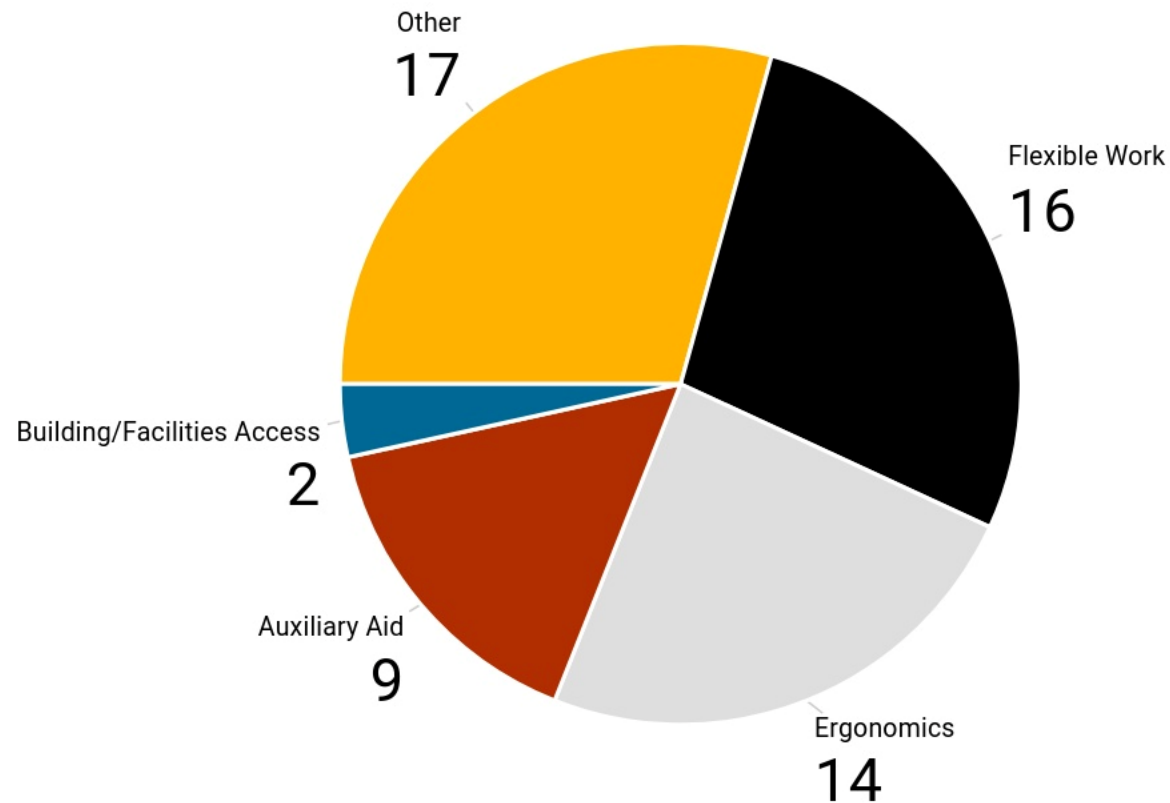
N - Target in Jeopardy or Already Missed

EAS

- Complies with state and federal civil rights laws and regulations across 4 units
 - [ADA/Accessibility Services Office](#)
 - [Equal Opportunity and Affirmative Action Office](#)
 - [Protection of Minors](#)
 - [Title IX Office](#)
- Improvement in data collection since 2021
- More robust data for comparison

EAS: ADA & Accessibility

2023-2024



**58 Approved
Accommodations**

Most were free

Flexible work arrangements, etc.

EAS: Equal Opportunity & Affirmative Action

2023-2024

99.1%

non-discrimination training completion rate

EAS: Equal Opportunity & Affirmative Action

Allegation Trends

Complainant Types	2020-21	2021-22	2022-23	2023-24
Age	1	4	1	4
Color	1	1	1	0
Disability #2	2	22	21	36
Ethnicity	0	6	7	17
Gender Identity	0	1	6	9
Military Status	1	4	0	4
National Origin	1	0	1	21
Parenting Status	0	0	2	7
Political Status	0	7	0	4

EAS: Equal Opportunity & Affirmative Action

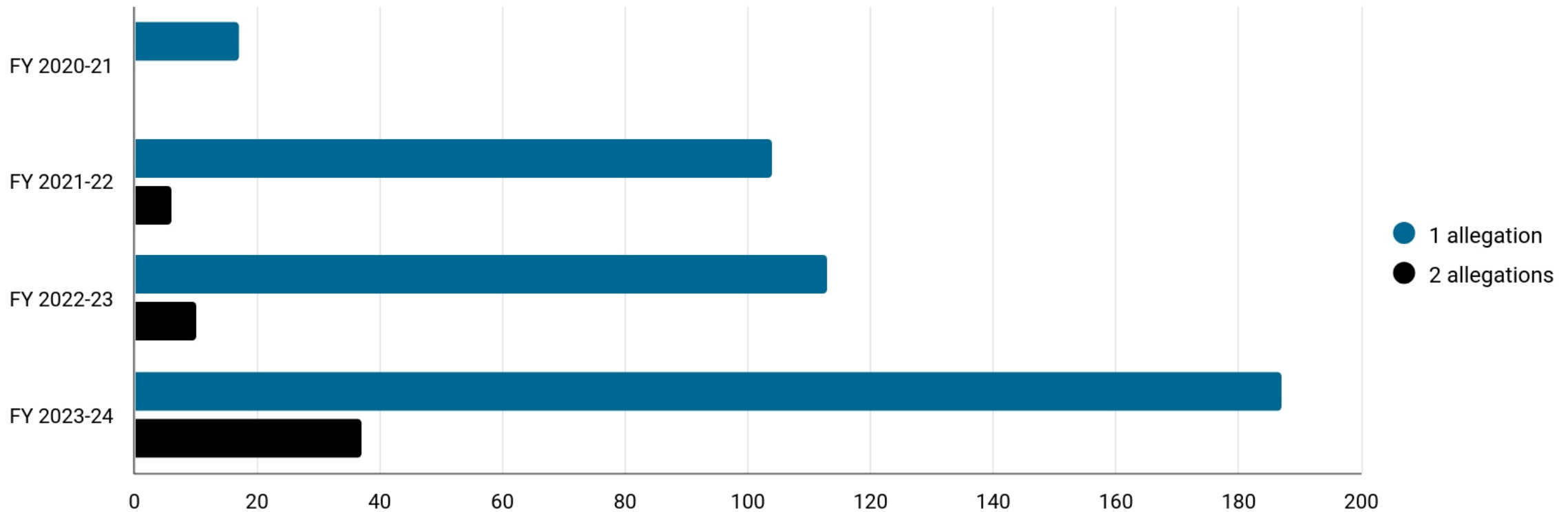
Allegation Trends (Contd.)

Complainant Types	2020-21	2021-22	2022-23	2023-24
Retaliation	2	7	7	1
Race #1	7	37	38	54
Religion	0	3	3	19
Sex	2	17	9	24
Sexual Orientation	0	1	12	4
Shared Ancestry	0	0	0	29
Outside of Policy #3	0	10	21	30
Veteran Status	0	0	0	1
Total Allegations	17	114	129	264
Total Cases	17	110	123	174

EAS: Equal Opportunity & Affirmative Action

Case Complexity Over Time

Since the EO office creation in 2021, cases with >1 distinct allegation are on the rise.



EAS: Protection of Minors

Ideal-Logic Management System

- Implemented Ideal-Logic in March of 2024
- Helps enforce policy
- Helps monitor compliance
- Gathers data

Significant increase in youth programs since implementation



2021-2022

64

programs registered

2022-2023

99

programs registered

03/22/24 - 2/27/25

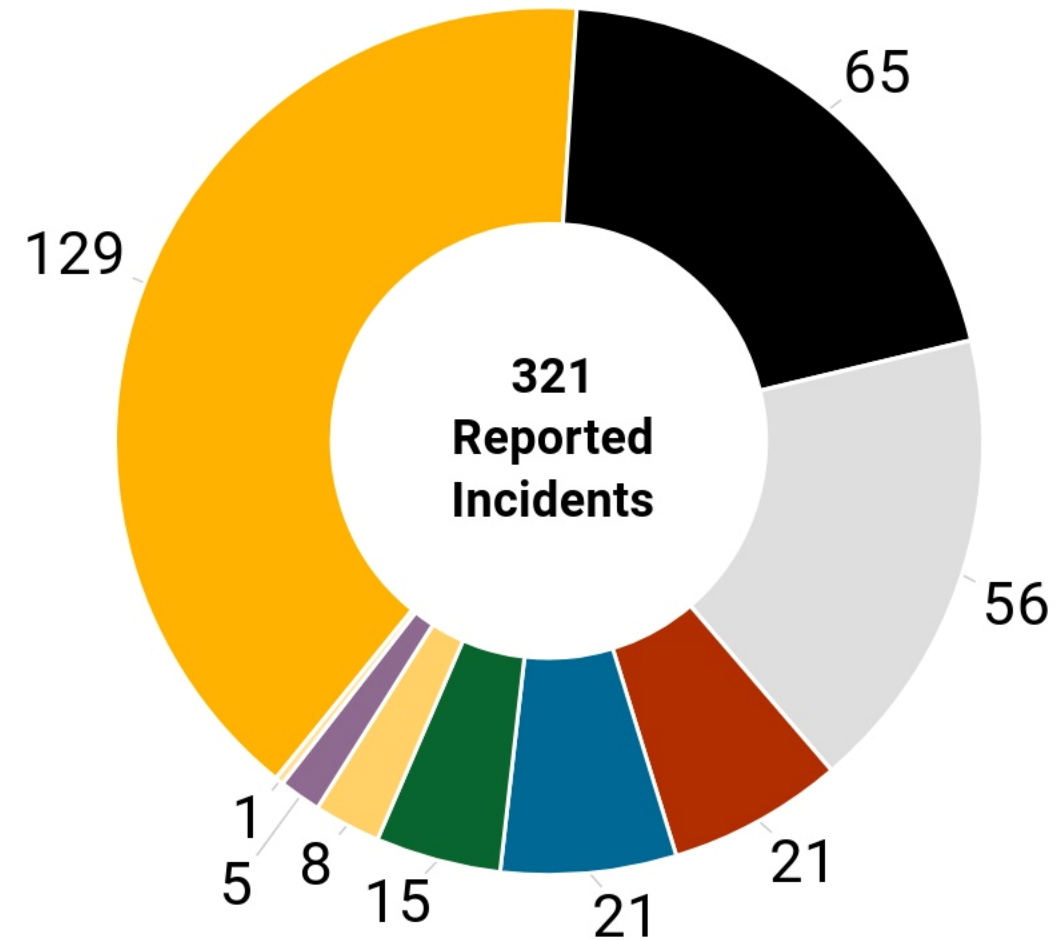
118

programs registered

EAS: Title IX

Case Outcomes

- Complainant did not respond to outreach (40.2%)
- Complainant declined VCU resources (20.2%)
- Received supportive measures only (17.4%)
- Unable to identify complainants (6.5%)
- Other resolution (unique circumstances/response) (6.5%)
- Referred to other offices (4.7%)
- Open/pending cases (2.5%)
- Resolved formally (1.6%)
- Complainant withdrew complaint (.3%)



EAS: Title IX

Education & Outreach

732 students
+ 235 faculty/staff

967

attendees across 19
education and outreach
programs

Frequent topics include

- Reporting
- Consent

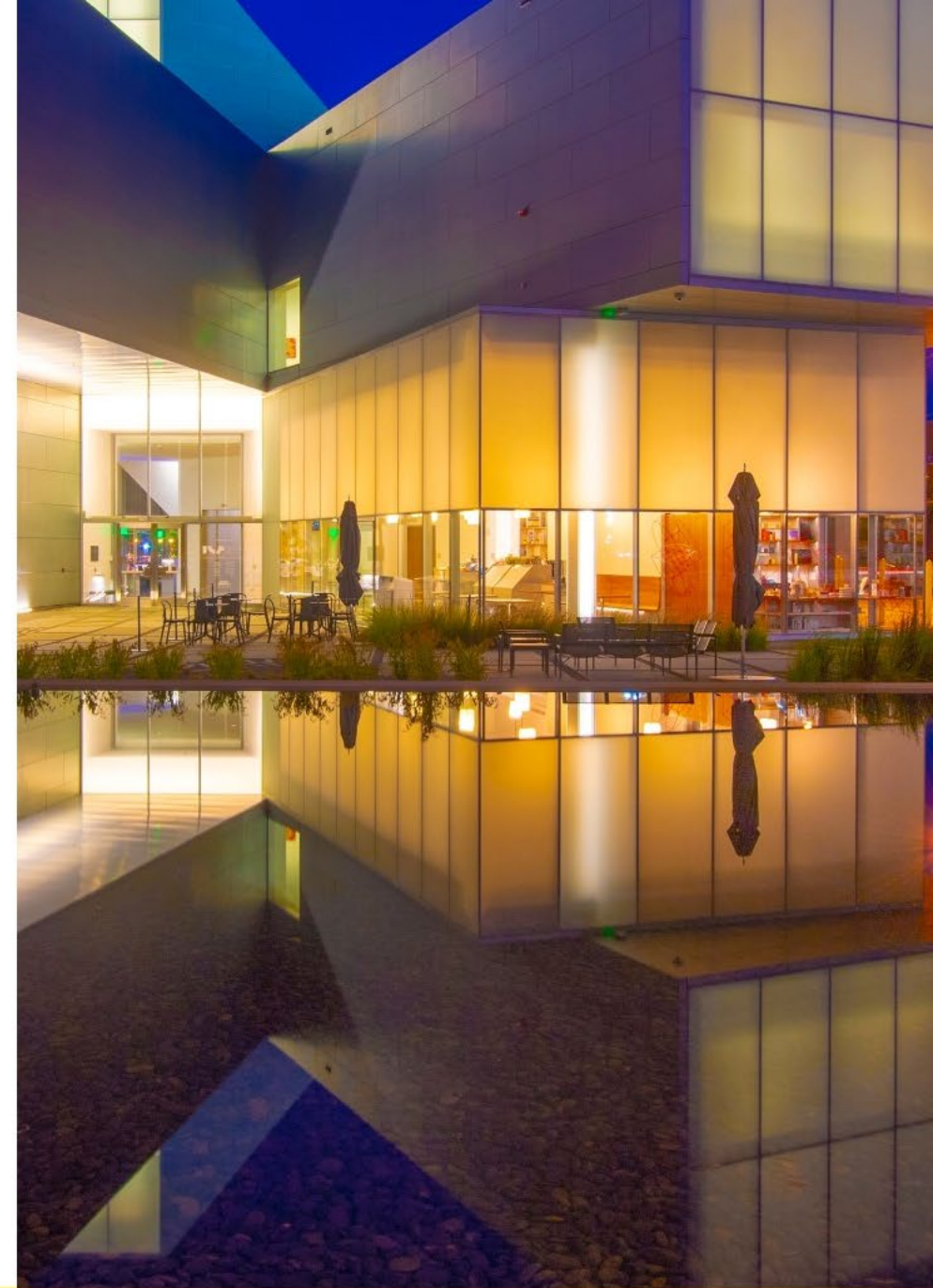
IT Risk Management Update

Board of Visitors Meeting

Audit, Integrity and Compliance Committee

Alex Henson, Chief Information Officer

March 20, 2025



Threats and Trends (Last Quarter)

- **Social Engineering**
 - Traditional Phishing (Email and SMS)
 - **65+ reports made**
 - **Service Desk phishing**
- **Malicious content**
 - Web advertisements
 - Malicious links
- **Brute force credential stuffing**
 - **19.62M** failed attempts targeting the legacy VPN system
- **Exploitation attempts of perimeter devices**



Current Risk Mitigation Strategies

- Service Desk SoP for caller validation
- Continued implementation of phishing-resistant Multi-Factor Authentication
- Weekly vulnerability review sessions
- Penetration tests
- Simulated phishing exercises
- Completion of key objectives in bringing VCU Arts Qatar environment in line with security protections at VCU Richmond
- Continued Zero-Trust adoption and reduction in legacy infrastructure



Enter code in Duo Mobile

Verify it's you by entering this verification code in the Duo Mobile app...

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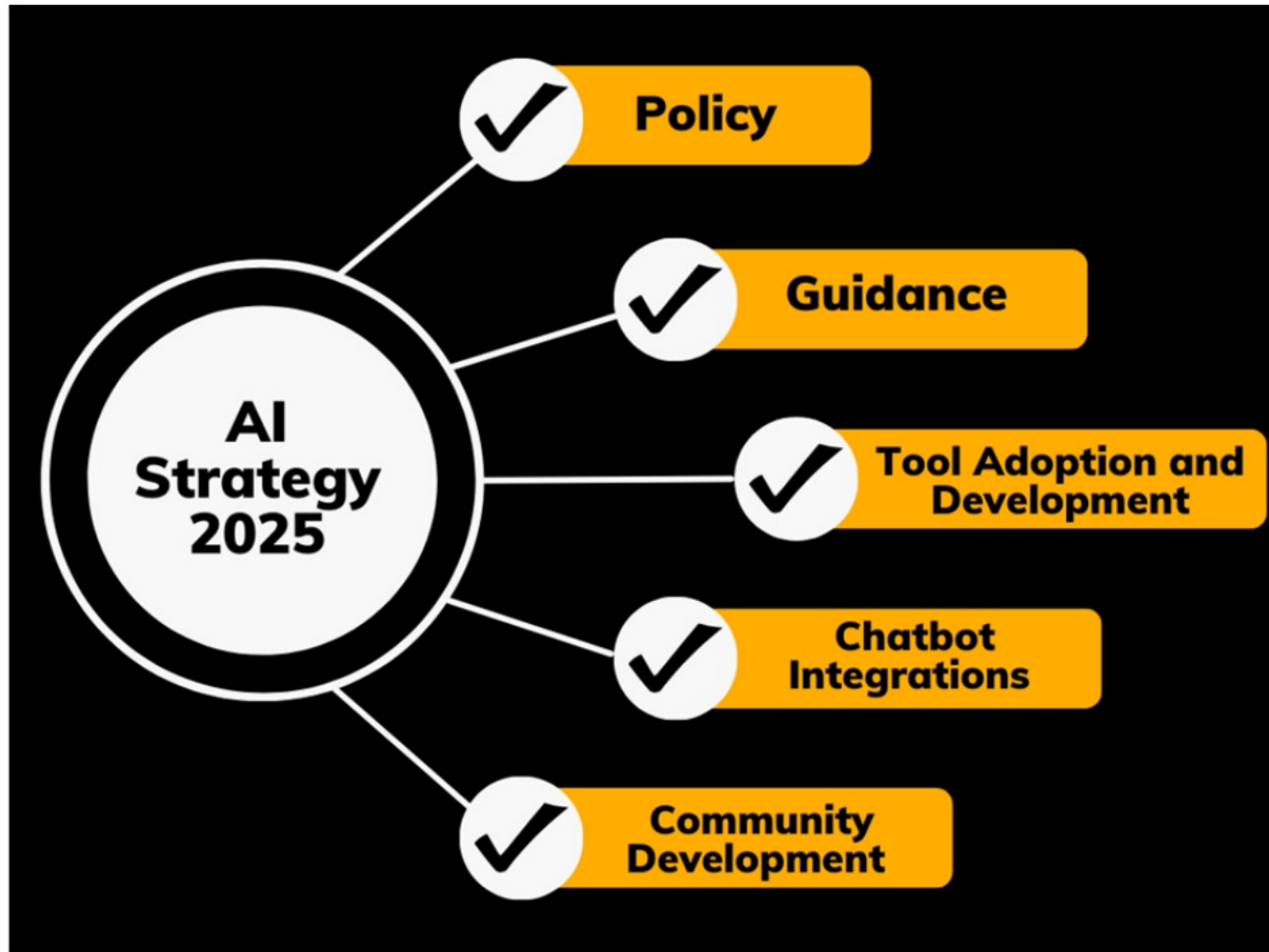
[Other options](#)

[Need help?](#)

Secured by Duo



Generative AI @ VCU



- New Emerging Technologies Program Manager position to help manage GenAI requests and projects and build community
- GenAI guidance and review integrated into product procurement and IT Governance process
- AI Policy drafted and in review process
- Assessment questionnaire developed for GenAI products
- Core team established with faculty representation

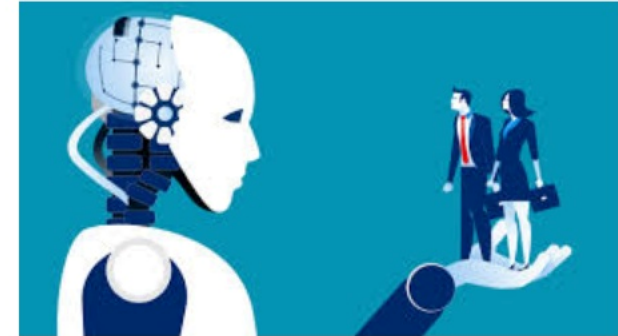
Generative AI @ VCU

- About **35%** of VCU faculty/staff are using a GenAI chat service
- Grammarly is the most frequently used GenAI-assisted application in VCU
- Enterprise license obtained for Microsoft Copilot Chat service
- Central OpenAI Platforms obtained for custom development
- Limited usage of Google Gemini, Anthropic Claude, and Perplexity
- High Performance Computing and locally hosted models utilized
- VCU is compliant with Executive Order 46 prohibiting use of DeepSeek AI on state-owned devices and state-run networks



Generative AI @ VCU

- Use cases
 - Pre-built chatbots (e.g., ChatGPT, Gemini, Claude)
 - Assistive/Agentic AI tools and features (e.g., Zoom AI Companion, Salesforce AI, Microsoft 365 Copilot)
 - Custom-built GenAI agents (e.g., OpenAI Platform)
- Challenges
 - Proliferation of tools and models, many of which come with security and privacy issues
 - Data governance issues with the use of GenAI tools
 - Managing expectations of what GenAI can/cannot do
 - Meeting the pace at which the business is demanding GenAI



Closed Session