AUDIT, INTEGRITY AND COMPLIANCE COMMITTEE
September 11, 2025
The Honorable Benjamin Lambert III Board Room
1213 East Clay Street
Richmond, Virginia

Minutes

COMMITTEE MEMBERS PRESENT
Mr. Peter Farrell, *Chair*
Dr. Siobhan Dunnavant, *Vice Chair*
Ms. Lori Jennings
Dr. Dale Jones
Dr. Kenneth Lipstock
Mr. C.J. Sailor
Ms. Ellen Fitzsimmons, *Rector*
Mr. Steven DeLuca, *Vice Rector*

OTHER BOARD MEMBERS PRESENT
Mr. Anthony Bedell, virtual
Mr. Randolph Reynolds, Jr.
Mr. Andy Florance

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

CALL TO ORDER
Mr. Peter Farrell, Chair, called the meeting to order at 8:05 a.m.

APPROVAL OF MINUTES
Mr. Farrell asked for a motion to approve the minutes of the May 8, 2025 meeting of the Audit, Integrity and Compliance Committee, as published. After motion duly made and seconded, the minutes of the May 8, 2025 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/.

FOR INFORMATION
Report from the Chief Audit and Compliance Executive of Audit and Compliance Services
Ms. Suzanne Milton discussed information regarding the credentials and education of the Audit and Compliance Services team. She noted that they are well-qualified, with 100%

holding an advanced degree or certification or both in relevant fields. She then shared the updated ACS budget for FY 26 which was increased by VCU to support new positions in the areas of Clery, privacy and research compliance and training as well as upgraded software for both Internal Audit and the Integrity and Compliance Office. She also shared the results of the customer satisfaction surveys Internal Audit collects after each audit which was 3.69 out of 4 for FY 25.

Ms. Milton then shared the results of three audit reports including Institute for Contemporary Art Internal Control Compliance review, Treasury Services – Investments and the DaVinci Center Internal Control Compliance review. There were no board level findings in any of these reports. In addition, VCU's Chief Ethics and Compliance Officer, Mr. Jason Block, presented an annual Integrity and Compliance Services report for FY2025. The report noted a 16% increase in the number of reported concerns since last year. VCU's substantiation rate (fully substantiated plus partially substantiated concerns) of these concerns of 32%is lower than the NAVEX benchmark of 46% but remains in proportion with our volumes of reports. VCU's anonymous rate remains low as compared to the NAVEX benchmark at 21% but this year is higher than our internal benchmark of 19%. This indicates that when employees speak up, about 80% of the time, they feel comfortable providing their name. 3.8% of the individuals reporting concerns at VCU express a fear of retaliation, which is slightly higher than our NAVEX and internal benchmarks. Ms. Milton, Provost Warren and the Chief Human Resources Officer, Ms. Alison Miller, provided an update on an issue related to the Board's Resolution on DEI and on university plans to manage these issues going forward.

Information Technology Update
Mr. Alex Henson, Chief Technology Officer updated the committee on VCU's major enterprise IT risks and mitigations underway or planned to address these risks.
He also discussed several new tools IT has developed to support student success with "apps."

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)(19), for discussion of information where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, structure, information technology system or software program, more specifically relating to discussion of an audit report concerning an information technology system related to cybersecurity; and under Section 2.2-3711 (A)(8), for discussion of specific legal matters requiring the provision of legal advice by counsel employed or retained by a public body, more specifically relating to discussion of legal advice regarding an investigation of a senior leader and related litigation; and under Section 2.2-3711(A)(1), for discussion, consideration, or interviews of prospective candidates for employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals, more specifically to discuss annual performance and compensation of the Chief Audit and Compliance Executive; Section 2.2-3711 (A)(7) for the updates on potential and current litigation in state and federal courts where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, more specifically relating to an update from counsel pertaining to actual or probable litigation.

RECONVENED SESSION

Following the closed session, the public was invited to return to the meeting. Mr. Farrell, 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.

Vote	Ayes	Nays
Mr. Peter Farrell, *Chair*	X	
Dr. Dale Jones	X	
Ms. Lori Jennings	X	
Dr. Kenneth Lipstock	X	
Mr. C.J. Sailor	X	
Ms. Ellen Fitzsimmons, *Rector*	X	
Mr. Steven DeLuca, *Vice Rector*	X	

Dr. Dunnavant and Ms. Jennings were not present for the vote. All members in attendance responding affirmatively, the resolution of certification was unanimously adopted.

ADJOURNMENT

There being no further business, Mr. Farrell, Chair, adjourned the meeting at 10:23 a.m.

VCU Board of Visitors
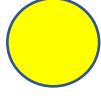
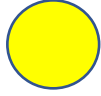Audit, Integrity and Compliance Committee

September 11, 2025
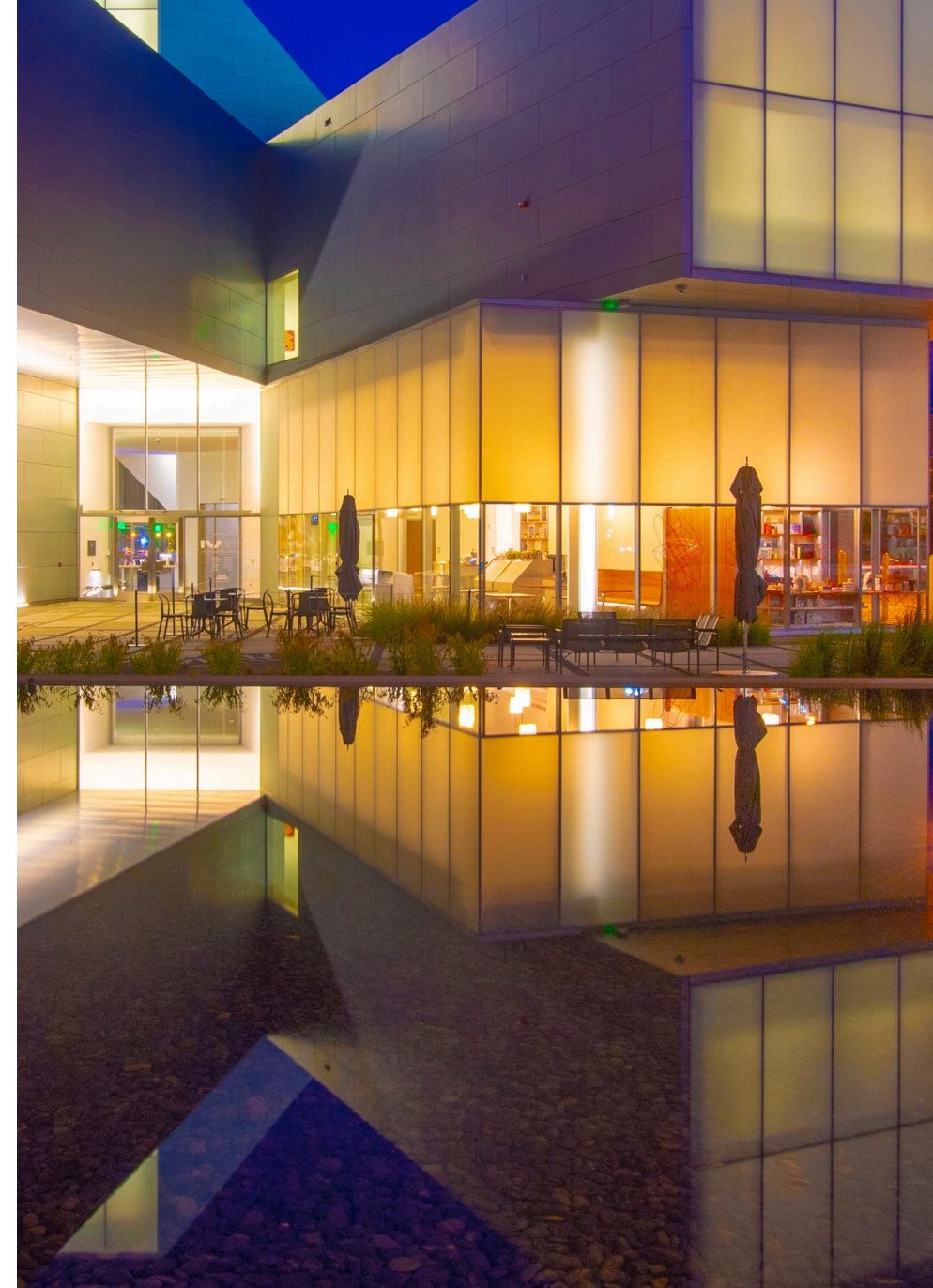
Action Items

- Approval of Minutes May 8, 2025

- Proposed Audit, Integrity and Compliance Committee Meeting Planner

VCU

Committee Dashboard Measures

🟢 Data Governance Program

🟡 Data Security

🟢 ERM Mitigation Plans

🟡 Planned Audits

🟢 Planned Special Projects

🟡 Ethics and Compliance Program Oversight

ACS Departmental Update

- ## Staffing and Credentials
  - ✓ Well Qualified

- ## Departmental Expenses
  - ✓ Department expenses will increase this year based on VCU's decision to increase the ACS budget to cover critical compliance costs including upgraded software in both audit and compliance units and new positions related to Clery, privacy, research compliance and training/communications

- ## Audit Survey Results
  - ✓ Overall rating of 3.69; decrease from 3.80 in FY24

Semi Annual Follow-Up Status

One of 16 open issues did not meet the target date reported at the March Audit, Integrity and Compliance Committee meeting. The responsible VP provided new date below. Details in handouts.

Finding	Risk Level	Last Reported Date	New Date
Improve Fixed Asset Inventory Process (College of Health Professions)	Moderate	March 2025	February 2026

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Institute for Contemporary Art Internal Control Compliance Review

- Reviewed Selected Controls and Compliance Areas

  Reconciliations, purchases, PCards, fixed asset management

No Board Level Findings

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Treasury Services - Investments

Audit Scope

- Encompassed fiscal year 2025

- Contracts with investment managers were adequate to safeguard VCU assets

- Treasury Services manages funds transfers safely

- Treasury Services obtains sufficient transparency of information

No Board Level Findings

VCU

The DaVinci Center Internal Control Compliance Review

- Reviewed Selected Controls and Compliance Areas

    Reconciliations, purchases, PCards, fixed asset management

No Board Level Findings

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Integrity and Compliance
Annual Report
Fiscal Year 2025
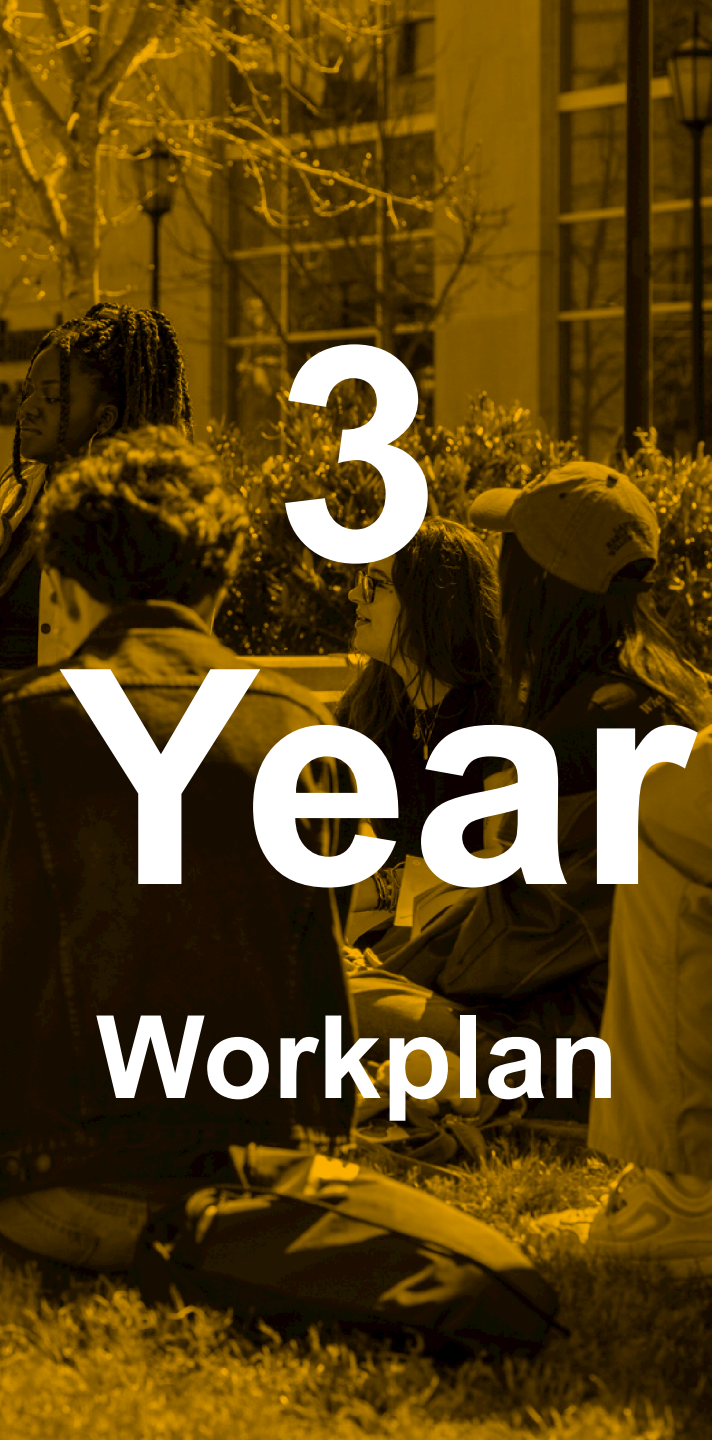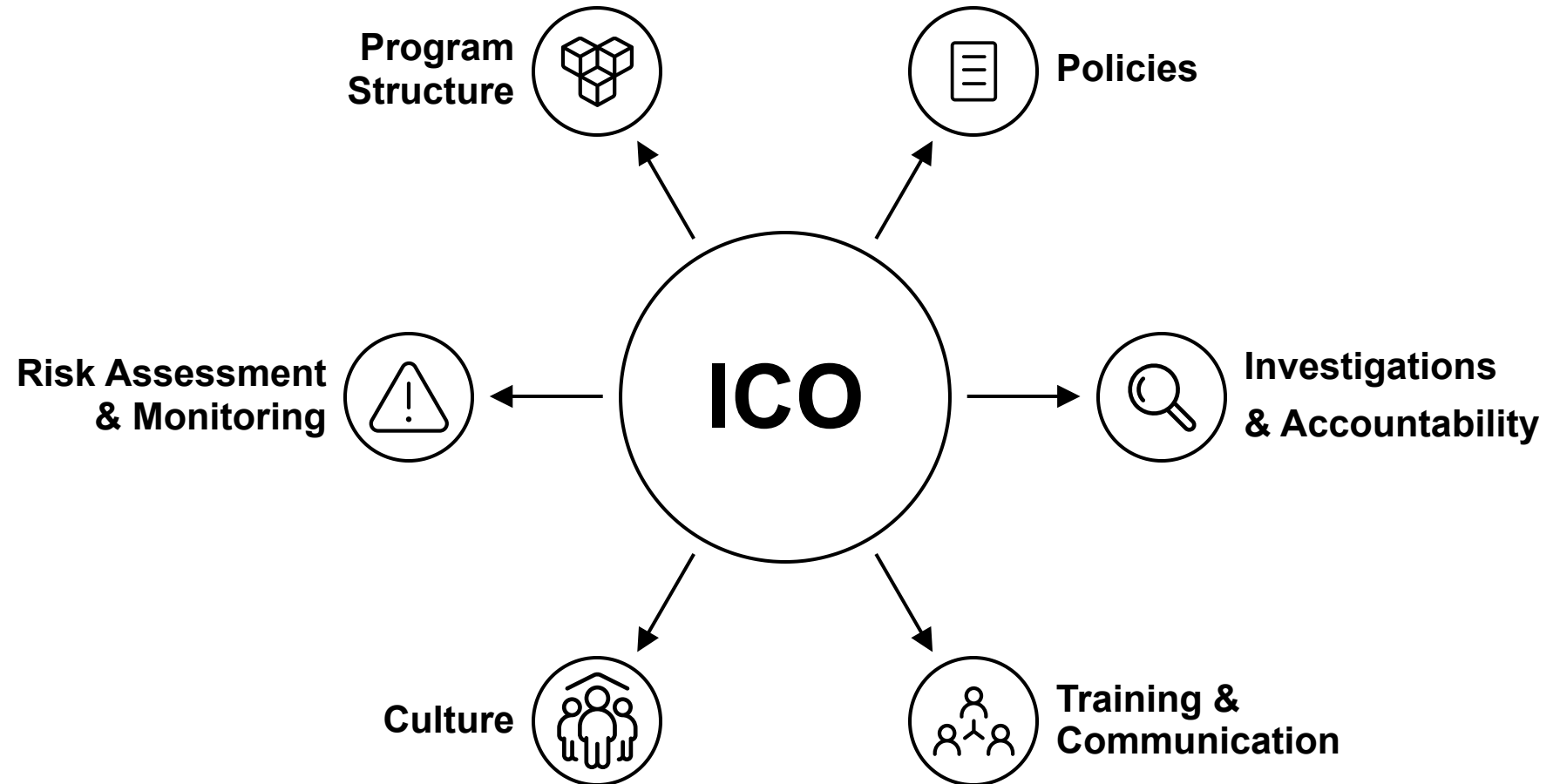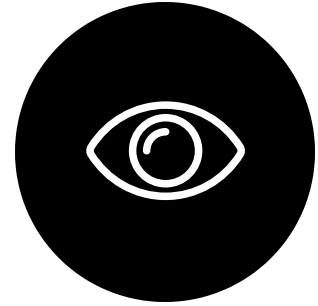
Culture and Data Analysis
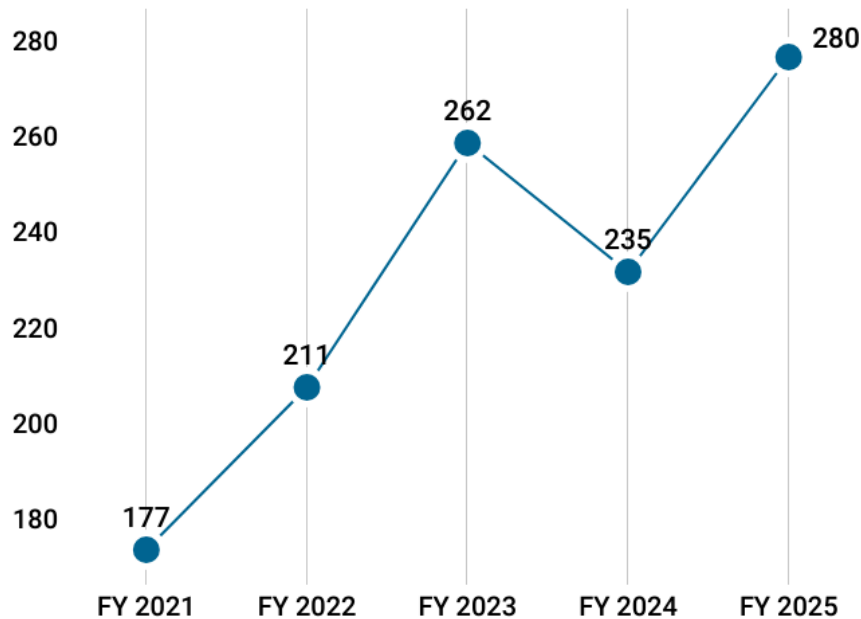
Total Volume Reported Concerns **280** ⬆ **16%** from FY 2024

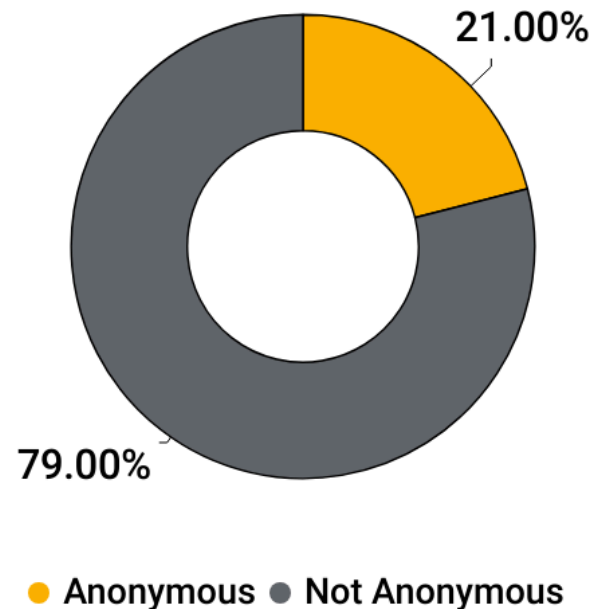**Reporting Method**
48.6% VCU Helpline
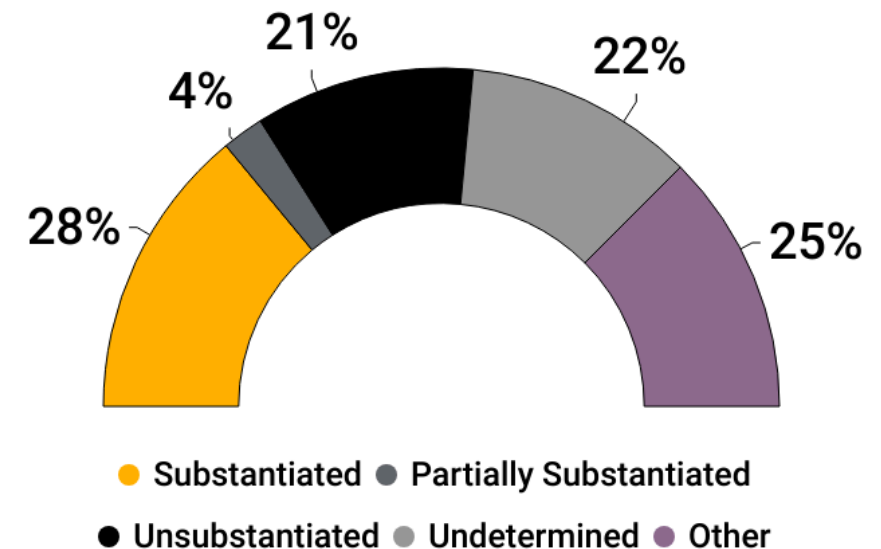43.9% Compliance Partners
7.5% ICO Phone/Email

Case Volume Over Time

- FY 2021: 177
- FY 2022: 211
- FY 2023: 262
- FY 2024: 235
- FY 2025: 280

Anonymous Reporting Rate

- 21.00% Anonymous
- 79.00% Not Anonymous

Overall Substantiation Rate

- 28% Substantiated
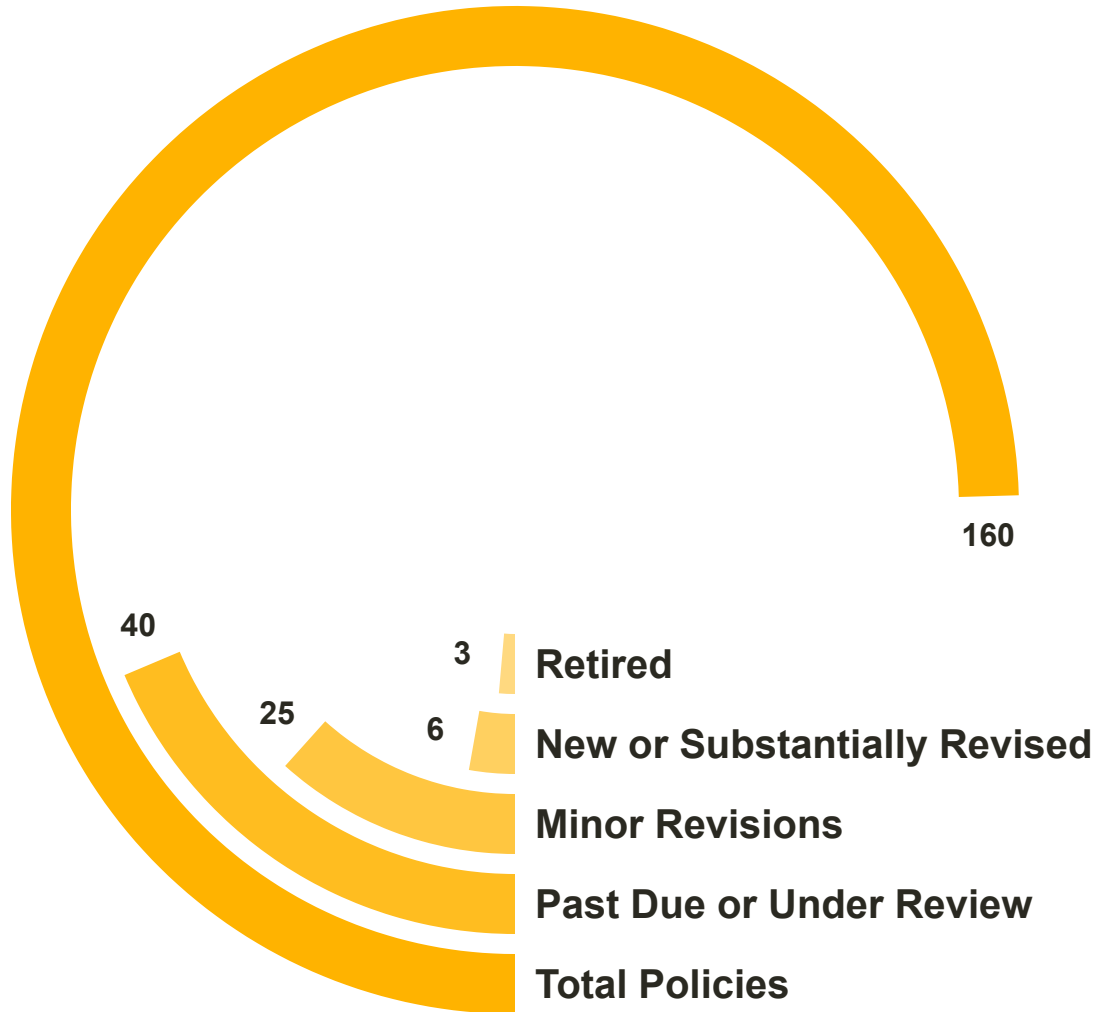- 4% Partially Substantiated
- 21% Unsubstantiated
- 22% Undetermined
- 25% Other

Culture and Data Analysis

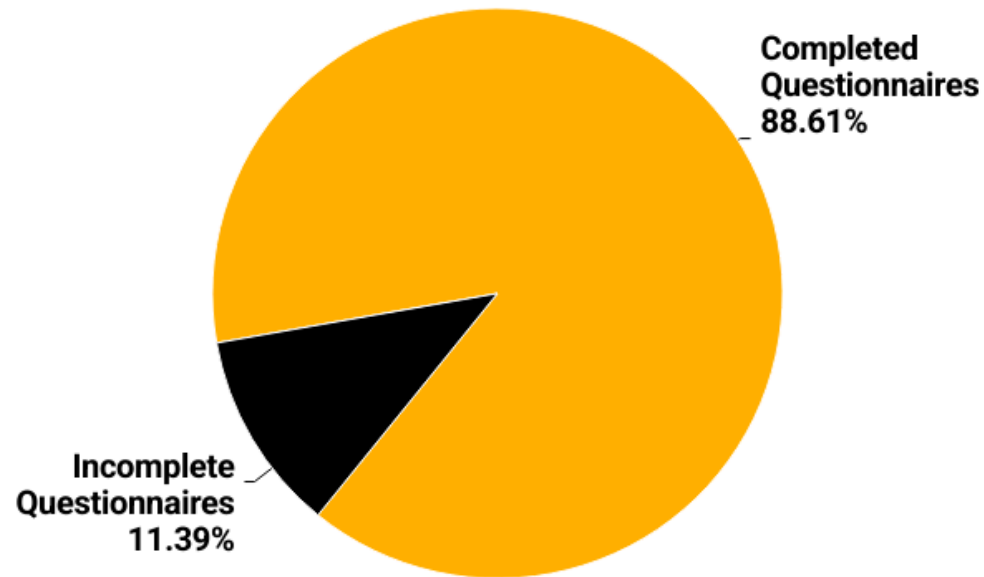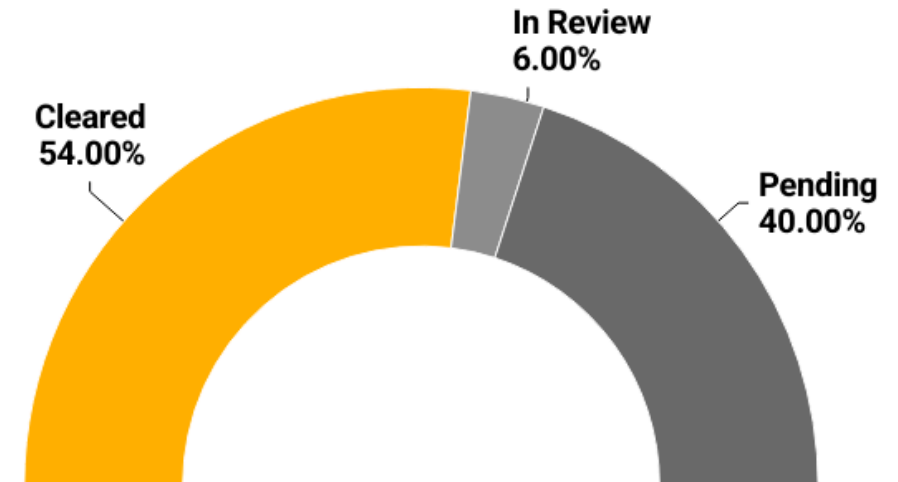|	Cases per 100 Employees	Anonymous Reporting Rate	Substantiation Rate	Concerns of Retaliation	Most Common Issue Type
NAVEX Benchmark	1.57	52%	46%	3%	HR, Diversity, and Workplace Respect
VCU Internal Benchmark	2.15	19%	23%	3.4%	Discrimination Based on Protected Class
Current Fiscal Year	2.41	21%	32%	3.8%	Discrimination Based on Protected Class

Policy Program

160

40

3 Retired

25

6 New or Substantially Revised

Minor Revisions

Past Due or Under Review

Total Policies

VCU

Conflict of Interest & Commitment Disclosure

Clery Program Updates

Reengineered to:

Enhance transparency

Improve operational efficiency

Increase effectiveness

Accurate mapping of Clery reportable geography

Monroe Park Campus

MCV Campus

Ongoing improvements in Campus Security Authority (CSA) ID, notification, training

Partnering with HR

Training delivered through Talent, monitored by Clery Office

Implementation of Stop Campus Hazing Act

New hazing policies

New report tracking student orgs in violation of hazing policies

Stats will appear in the FY 26 Annual Security Report (ASR)

Clery Act Training

Based on role

Delivered to units intersecting with Clery (VCU Police, Res Life, Title IX, etc.)

Trained over 100 employees in Clery-adjacent roles, spring 2025

Training & Communications

Data-driven E & C annual training and outreach

98.4
Percentage of employees completing E & C annual training

18
Meetings with MBUs re: their Integrity Survey results

10
Psychological Safety workshops presented to teams across VCU, VCUHS and beyond

6
Editions of the eNewsletter, *The Compass,* for HRPs and other E&C partners

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Risk Analysis

Lack of Procedural Rigor

- Outcomes achieved at expense of rigor
- Some skirt required processes, checks & balances for quick fixes
- To mitigate risk, VCU must educate about, & set expectations regarding, procedural rigor

Current Compliance Enforcement Environment: VUCA

- Higher Ed regulatory compliance constantly changing
- VCU must remain vigilant, respond to & anticipate changes
- Must ensure monitoring is normalized, not handled as a special project

Culture

- Employees increasingly worried about retaliation, despite a healthy increase in reporting/speaking up
- Perception of retaliation could have a chilling effect & erode that progress
- VCU leadership must support the education of its leaders & accountability for those violating policies

Conflicts of Interest & Commitment

- Despite success of COI&C reporting process, some did not disclose conflicts & some leaders did not use disclosed data to inform decisions
- Some faculty & staff lack understanding of the importance of disclosure (link between COIs & risk)
- ICO will mitigate risk by re-engaging with leaders & providing them with tools to manage COIs

IT Update

Board of Visitors Meeting
Audit, Integrity, and Compliance Committee
Alex Henson, Chief Information Officer
**September 11, 2025**
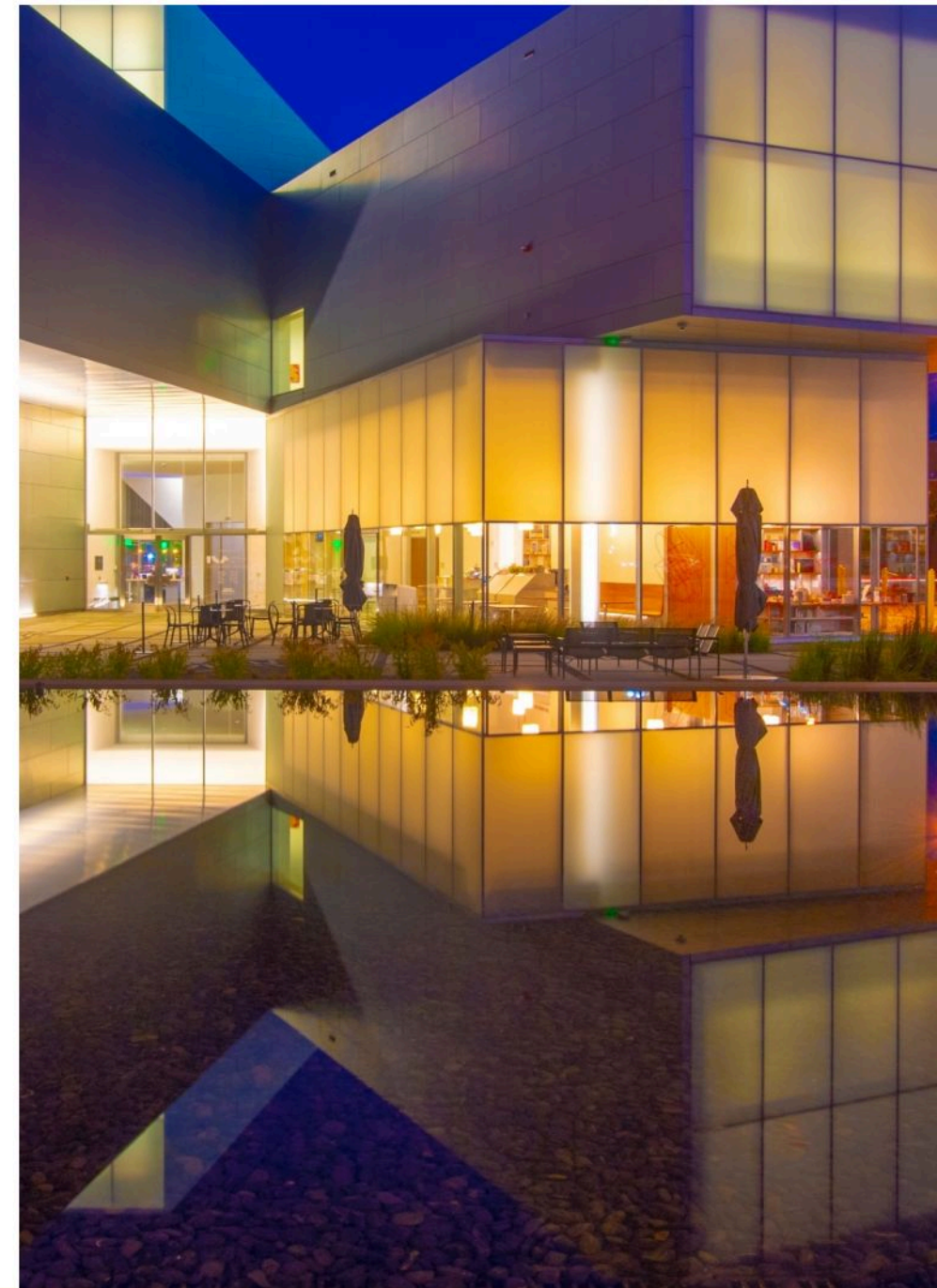
IT Security Updates

Areas of Effort include:
- Secure remote access and removal of the legacy VPN
- Mandatory Security Training
- Penetration Testing:
  - Microsoft cloud testing complete
  - GLBA compliance testing late 2025
- Vulnerability Management Program Overhaul
- Rationalization of decentralized system management to reduce risk

Emerging Risk:
- New federal IT security compliance requirements around health sciences research are straining resources
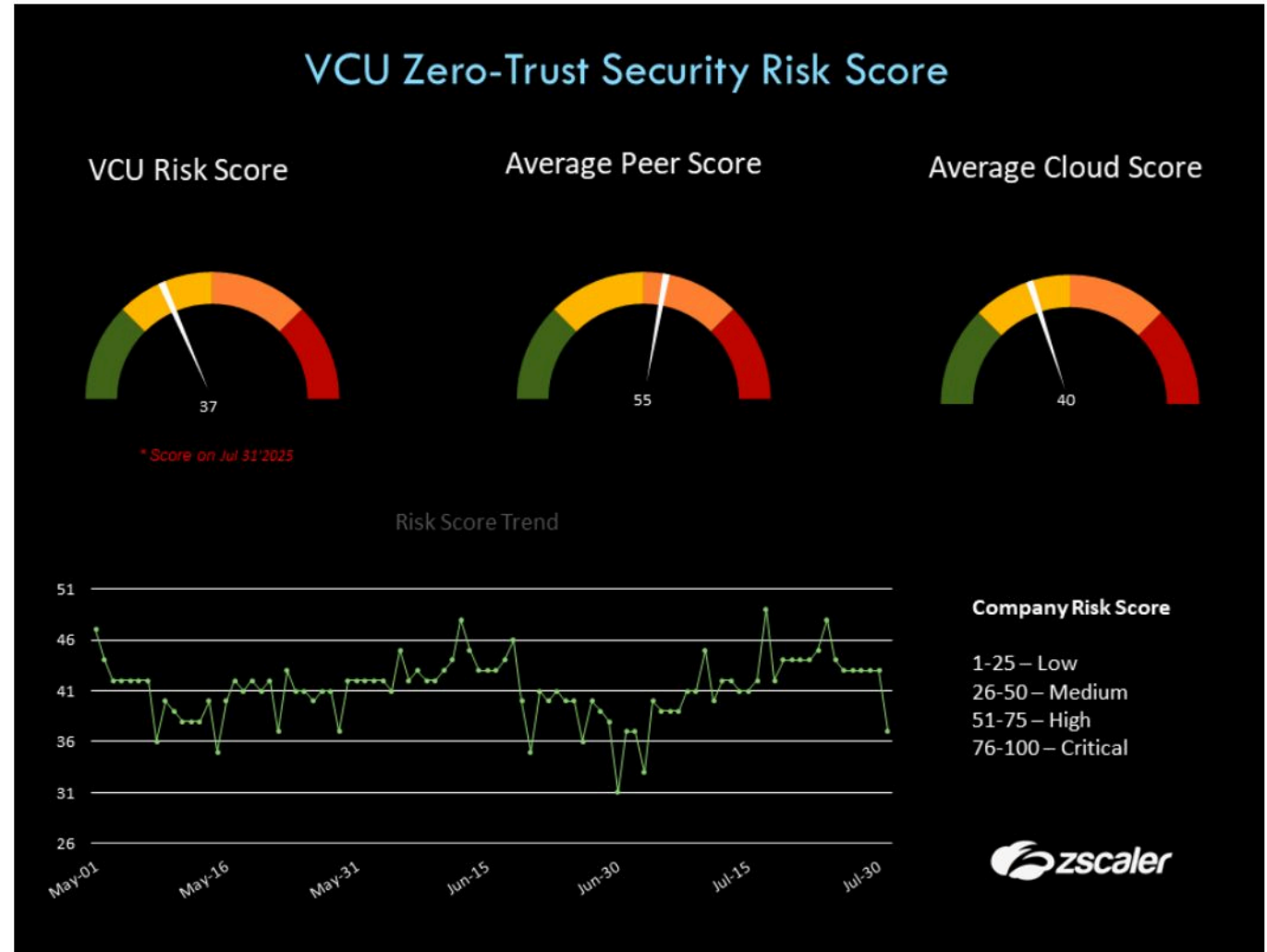
Driving Student Success - Apps

VCU Mobile now features Day-at-a-glance and integrates with multiple apps and systems.

Driving Student Success - Apps

Career Works App developed for SEMSS integrates with multiple systems to allow students and their advisers to track career management goals and progress.
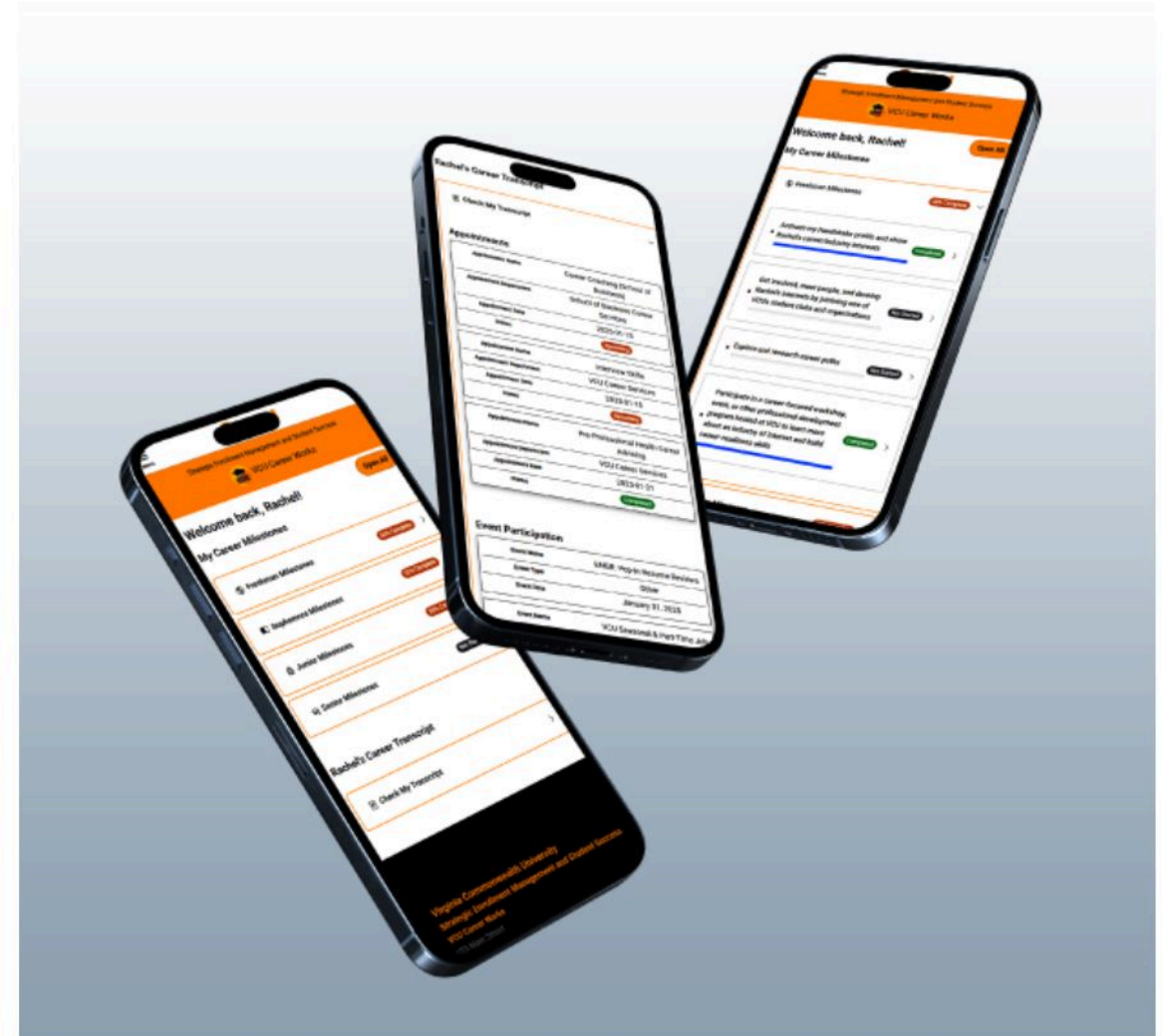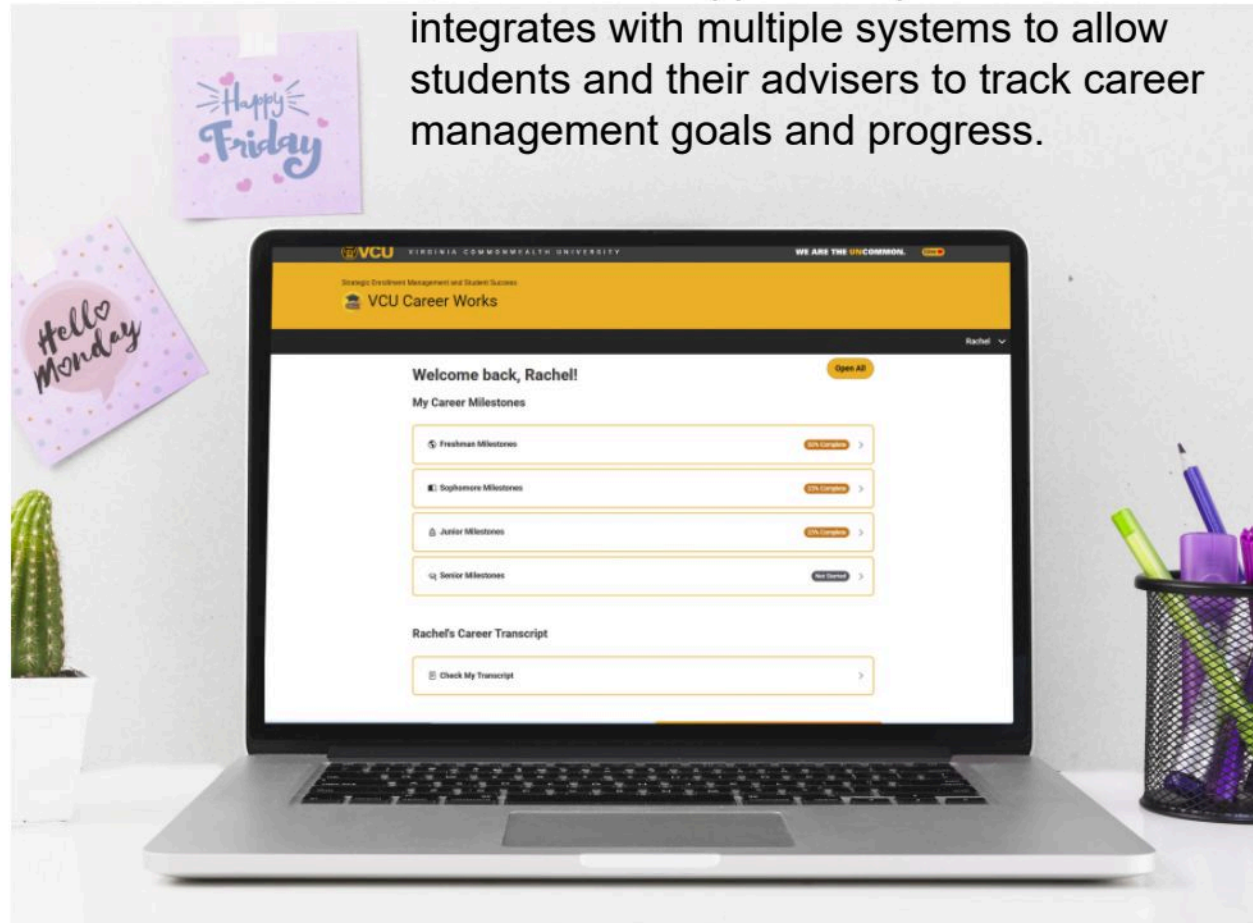
Driving Student Success - Internships

Summer 2025 Technology Services Internship Program

CIO Data Dashboard

Security Architecture and Vulnerability Management

Governance, Risk and Compliance
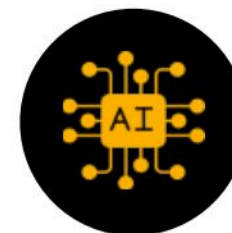
AI Bot Development

AI Literacy Videos

"I was shown many resources even outside of VCU for the field I interned in. I appreciate this because it allows me to continue to learn even after the internship is over. Both of my mentors worked with me on areas I wasn't as familiar with and gave me a good foundation as well."

"My mentor accelerated my learning by guiding root-cause debugging instead of giving answers, setting a high bar in code reviews, and coaching me on communicating impact. He gave me autonomy, which built confidence and ownership."
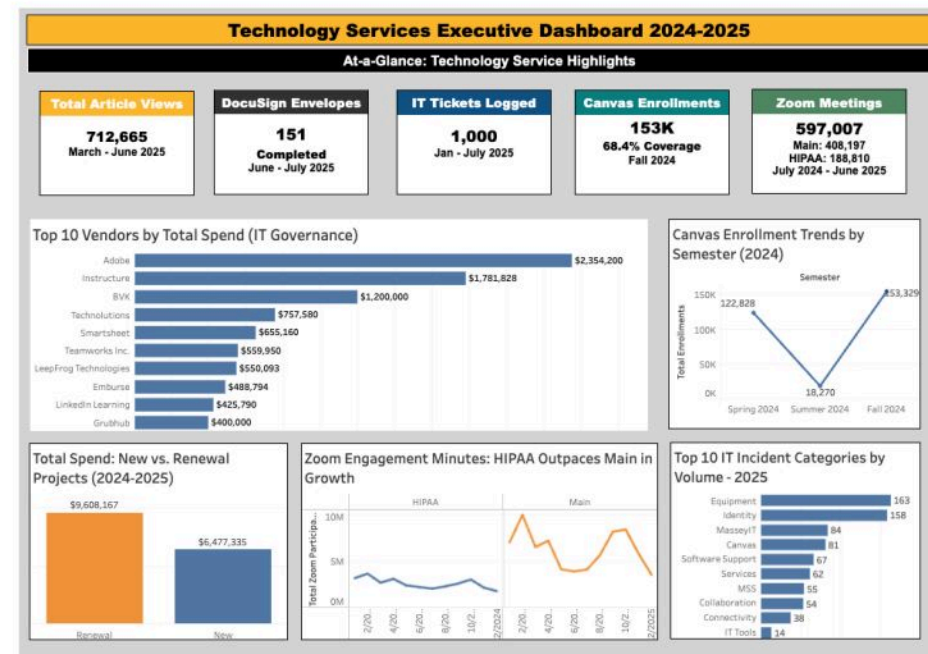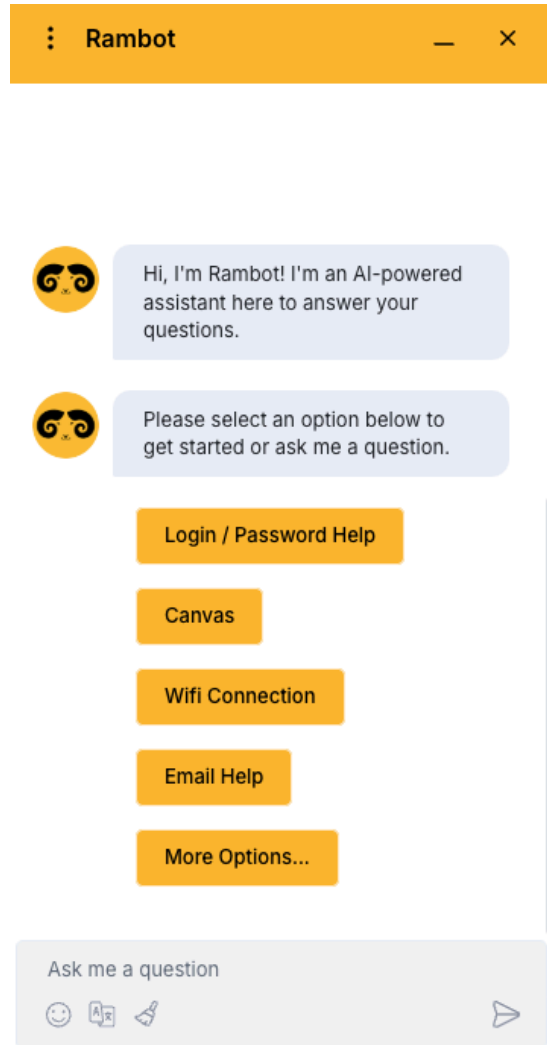

Technology Services Executive Dashboard 2024-2025

At-a-Glance: Technology Service Highlights

Total Article Views	DocuSign Envelopes	IT Tickets Logged	Canvas Enrollments	Zoom Meetings
712,665 March - June 2025	151 Completed June - July 2025	1,000 Jan - July 2025	153K 68.4% Coverage Fall 2024	597,007 Main: 408,197 HIPAA: 188,810 July 2024 - June 2025

Top 10 Vendors by Total Spend (IT Governance)

Vendor	Spend
Adobe	$2,354,200
Instructure	$1,781,828
BVK	$1,200,000
Technolutions	$757,580
Smartsheet	$655,160
Teamworks Inc.	$559,950
LeepFrog Technologies	$550,093
Emburse	$488,794
LinkedIn Learning	$425,790
Grubhub	$400,000

Canvas Enrollment Trends by Semester (2024)

Total Spend: New vs. Renewal Projects (2024-2025)
- $9,608,167 (Renewal)
- $6,477,335 (New)

Zoom Engagement Minutes: HIPAA Outpaces Main in Growth

Top 10 IT Incident Categories by Volume - 2025

Category	Volume
Equipment	163
Identity	158
MasseyIT	84
Canvas	81
Software Support	67
Services	62
MSS	55
Collaboration	54
Connectivity	38
IT Tools	14

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AI @ VCU

AI Bots - partnering across campus to launch AI bots on school and unit websites

AI Tools - piloting and promoting enterprise wide AI tools and technologies for secure use across campus

AI Governance & Policy - established AI Governance review process and drafting AI Policy to address security and privacy risks when using AI

AI Literacy - partnering with campus units to promote AI Literacy and develop coursework and short video content

Key Challenge: Developing and managing the right balance of cloud partners and on-premises resources with increasing demand and not easily predictable costs

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Closed Session