TO: The Audit, Compliance and Risk Committee:

Frank E. Genovese, Chair
Mark T. Bowles
L.D. Britt, M.D.
Frank M. Conner III
John G. Macfarlane III
Jeffrey C. Walker
William H. Goodwin Jr., Ex Officio
Adelaide Wilcox King, Faculty Consulting Member

and

The Remaining Members of the Board

Frank B. Atkinson  Victoria D. Harker
Whittington W. Clement  Bobbie G. Kilberg
Helen E. Dragas  Tammy S. Murphy
Kevin J. Fay  James V. Reyes
Barbara J. Fried  Joe Garofalo, Faculty Member
John A. Griffin  Daniel T. Judge, Student Member

FROM: Susan G. Harris

SUBJECT: Minutes of the Meeting of the Audit and Compliance Committee on September 18, 2015

The Audit and Compliance Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 9:10 a.m., on Friday, September 18, 2015, in the Auditorium of the Albert and Shirley Small Special Collections Library of the Harrison Institute. Frank E. Genovese, Chair, presided.

Present were Mark T. Bowles, L.D. Britt, M.D., Frank M. Conner III, William H. Goodwin Jr., John G. Macfarlane III, Jeffrey C. Walker, and Adelaide Wilcox King.

Frank B. Atkinson, Barbara J. Fried, James V. Reyes, and Daniel T. Judge were also present.
Present as well were Teresa A. Sullivan, Patrick D. Hogan, Thomas C. Katsouleas, Richard P. Shannon, M.D., Susan G. Harris, Debra D. Rinker, Roscoe C. Roberts, Farnaz F. Thompson, Susan Carkeek, Donna P. Henry, David W. Martel, Marcus L. Martin, M.D., Nancy A. Rivers, and Colette Sheehy.

Carolyn D. Saint and Gary S. Nimax presented.

Mr. Genovese opened the meeting and introduced Ms. Saint, Chief Audit Executive.

**Action Item: Audit Department Charter**

On motion, the committee approved the following resolution:

**AUDIT DEPARTMENT CHARTER**

RESOLVED, the updated Audit Department Charter, dated September 18, 2015, is approved as recommended by the Audit, Compliance, and Risk Committee.

**Action Item: FY 2016 - FY 2017 Audit Department Resource Deployment Plan**

Ms. Saint said they will use data more in analyses, and aspire to serve the University and the Commonwealth. The resource deployment plan is risk-based and is on a two-year perspective. She said they have taken the Cornerstone Plan to heart and that is driving the plan as well as the Health System strategy.

Ms. Saint said the big change in restructuring the department is to have fewer directors and more people doing the audit work.

On motion, the committee approved the following resolution:

**FY 2016 - FY 2017 AUDIT DEPARTMENT RESOURCE DEPLOYMENT PLAN**

RESOLVED, the FY 2016 - FY 2017 Audit Department Resource Deployment Plan is approved as recommended by the Audit, Compliance, and Risk Committee.

**Report on Enterprise Risk Management**

Gary Nimax, Assistant Vice President for Compliance and Risk Management, reported on risk management strategies in the Academic Division. He said the slides list only high level examples of mitigation strategies and are not all-inclusive. The two areas he focused on were reputation with key stakeholders and safety/security of students, faculty, and staff.

Mr. Nimax summarized current mitigation strategies in the area of safety and security of students, faculty, and staff, and introduced
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Gabe Gates, Clery Compliance Coordinator, and Kelly Hodge, Title IX Coordinator and Executive Assistant to the President.

Mr. Nimax reviewed issues around reputation with key stakeholders. Key performance indicators include U.S. News and World Report rankings, individual school and program rankings, Kiplinger’s “best value” rankings, SACSCOC accreditation, and UVA Today story views and average time on page as well as social medial growth by platform.


Mr. Nimax also mentioned the performance review conducted by the State Inspector General, which focused on five risk areas. The OSIG report made recommendations and the University agrees with the recommendations. The recommendations include developing additional metrics related to the investment in STEM (Science, Technology, Engineering, and Math) programs and faculty start-up packages, working with the state Treasury Department to reduce the number of wire transfers, and addressing issues around a specific incentive bonus payment, which have been addressed.

Written Report: UVA Health System Corporate Compliance & Privacy Office Summary of Fiscal Year 2015

Mr. Nimax mentioned the written report contained in the materials on the work of the Medical Center Compliance and Privacy Office.

Executive Session

The following motion was read and approved, and the committee continued in closed session at approximately 9:45 a.m.:

That the committee go into closed session to evaluate the performance of specific personnel; to consult with legal counsel; to discuss security-related matters and security-related documentation excluded pursuant to Section 2.2-3705.2(3); and to discuss Medical Center operations; as provided for in Sections 2.2-3711(A)(1), (7), (19) and (22) of the Code of Virginia.

At 10:10 a.m. the committee concluded closed session and approved the following motion:

That we vote on and record our certification that, to the best of each Member’s knowledge only public business matters lawfully exempted from open meeting requirements and which were identified in the motion authorizing the closed session, were heard, discussed or considered in closed session.
On motion, the committee adjourned at 10:10 a.m.

SGH:sgh
These minutes have been posted to the University of Virginia’s Board of Visitors website: http://www.virginia.edu/bov/auditminutes.html