

**OLD DOMINION UNIVERSITY
BOARD OF VISITORS
GOVERNANCE COMMITTEE MEETING
Wednesday, May 1, 2024**

MINUTES

The Governance Committee of the Board of Visitors of Old Dominion University met on Wednesday, May 1, 2024, in the Board Room of the Kate and John R. Broderick Dining Commons on the Norfolk campus. Present from the Committee:

Jerri F. Dickseski, Chair
Kay A. Kemper, Vice Chair (via Zoom)
R. Bruce Bradley, Rector (*ex-officio*)
P. Murry Pitts, Vice Rector (*ex-officio*)
E.G. Middleton

Other Board members present: Ross A. Mugler

Also present: Brian O. Hemphill, President
Annie Gibson
Donna Meeks
Tom Odom
Ashley Schumaker
Allen Wilson

CALL TO ORDER

The Chair called the meeting to order at 11:24 AM and noted that a quorum was present. Committee member Kay Kemper attended remotely from her home in Florida in accordance with Va. Code § 2.2-3708.3.B.3 and Board of Visitors Policy 1107.

BOARD OFFICER NOMINATIONS

The Chair stated that a letter was sent out on April 19 seeking nominations for Board officers. Seven Board members submitted nominations and there were no contested positions, so one candidate is listed for each position, as follows:

Rector – Murry Pitts
Vice Rector – Andrew Hodge
Secretary - Rick Wyatt

Ms. Dickeski reminded committee members that since the last election in 2022, the Committee discussed the approach of succession planning with the Vice Rector position and language was included in the Bylaws to reflect that.

Upon a motion made by Mr. Middleton and seconded by Mr. Pitts, the Committee approved the proposed slate of officers by roll-call vote (*Bradley, Dickeski, Kemper, Middleton, Pitts*).

The Chair said she will contact Mr. Hodge and Mr. Wyatt about their nominations and reminded the Committee that, in accordance with the Bylaws, nominations may be accepted from the floor when elections are held at the June 14 Board meeting.

PROPOSED EDITS TO THE AUDIT, COMPLIANCE AND HUMAN RESOURCES COMMITTEE CHARTER

The Chair stated that edits to the Audit, Compliance, and Human Resources Charter were approved by the ACHR Committee at its meeting in April and is now before the Governance Committee for approval. It will then be presented as a recommendation of the Committee to the full Board at its meeting on June 14. Upon a motion made by Mr. Pitts and seconded by Mr. Bradley, the revised Charter was approved by roll-call vote (*Bradley, Dickeski, Kemper, Middleton, Pitts*).

OLD DOMINION UNIVERSITY BOARD OF VISITORS AUDIT, COMPLIANCE, AND HUMAN RESOURCES COMMITTEE CHARTER

Purpose and Authority

To assist the Board of Visitors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the internal and external audit processes, and the University's process for monitoring compliance with laws and regulations and the code of ethics and matters of compliance related to the University's human capital infrastructure. In so doing, it is the responsibilities of the Committee to maintain free and open communication among the Committee, independent auditors, internal audit and compliance leaders, and management of the University. The Committee has such authority as is provided for in the Code of Virginia, the Board Bylaws and as assigned by the Board as a whole.

Composition

The Audit, Compliance and Human Resources Committee will consist of an odd number of members of the Board of Visitors. Committee members and the chair shall be appointed through the normal processes as defined in the Board Bylaws. Members of the Audit, Compliance and Human Resources Committee should have some basic knowledge of generally accepted accounting procedures and financial reporting and controls. Committee members should also have a basic knowledge of compliance programs and human resource management. Members of the Audit, Compliance and Human Resources Committee may serve on the Administration and Finance Committee; however, a majority of the Audit, Compliance and Human Resources Committee may

not serve on the Administration and Finance Committee. The Chair should also not serve on the Administration and Finance Committee.

Meetings

Meetings of the Committee will occur in conjunction with regular meetings of the Board of Visitors, which happen no less frequently than four times each year on such dates and in such places as may be set by the Rector and the Board of Visitors. The Committee will have the authority to convene additional meetings as circumstances require. All committee members are expected to attend each meeting – in person or via teleconference or videoconference. The Committee will invite members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. It will hold private meetings with auditors (see below) and executive sessions. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared and distributed in advance of subsequent meetings.

Responsibilities

The Committee's general responsibilities are defined in Section 4.02 (d) of the Board Bylaws: "The Committee is responsible for (1) oversight of financial reporting and financial statement matters and any critical accounting and reporting issues; (2) reviewing annually the audited financial statements with the external auditors, determining that the administration has been open and has acted in good faith in connection with the audit; (3) oversight of the internal audit function, including receiving reports and approval of the annual audit plan; and (4) reviewing matters of compliance related to the University's human capital infrastructure; and (5) oversight of the University's compliance function."

More specifically, the below are some of the duties of the Committee:

Financial Statements

- Receive entrance and exit communications with the external auditors regarding their annual audit of the University and any other communications as necessary.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.

Internal Control

- Consider the effectiveness of the University's internal control system, including information technology security and control.
- Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- Determine whether internal control recommendations made by internal and external auditors have been implemented by management.

Internal Audit

- Review with management and the Chief Audit Executive the charter, plans, activities, staffing, and organizational structure of the internal audit function.
- Approval annual internal audit plans.
- Periodically review and update the internal audit function's audit charter.
- Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the Chief Audit Executive.
- Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*. This includes receiving the results of periodic peer reviews conducted on the internal audit function.
- Review the results of significant audit activities, audit reports, and management responses, and ensure the Committee is informed about fraud, illegal acts, deficiencies in internal control and other audit-related matters.
- Monitoring the adequacy and timeliness of corrective actions taken in response to audit activities.
- On an as needed basis, meet separately with the Chief Audit Executive to discuss any matters that the Committee or internal audit believes should be discussed privately.

External Audit

- Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Monitor audits performed by the external auditors.
- On an as needed basis, meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

Compliance

- Support leadership by promoting an institutional culture of ethical conduct and adherence to compliance requirements, ensuring appropriate resources to fulfill compliance requirements and expectations.
- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance, helping enforce accountability for compliance expectations.
- Review the findings of any examinations by regulatory agencies and any other auditor observations.
- Review the process for communicating the code of ethics to university personnel and for monitoring compliance therewith.
- Obtain regular updates from management, internal audit, the compliance function, and University legal counsel regarding compliance matters.

Human Resources

- Receive updates on new and revised policies having campuswide implications.
- Review annual succession planning goals in accordance with Code of Virginia § 2.2-1209.
- Periodically review employee census data reports.
- Receive annual updates on mandatory Commonwealth of Virginia reporting requirements including telework, classified employee turnover, and the employment opportunities plan for hiring people with disabilities.

Reporting Responsibilities

- Regularly report to the Board of Visitors about committee activities, issues, and related recommendations.
- Provide an open avenue of communication between internal audit, the external auditors, and the Board of Visitors.

Other Responsibilities

- Perform other activities related to this charter as required by the Board of Visitors.
- Review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Chair shall evaluate the Committee's performance and individual member participation on a regular basis.

Committee members discussed the declining attendance at Board meetings and whether the option to attend remotely should be reconsidered. Ms. Dickeski said that a quorum of the full Board – nine members – must be physically present to conduct business and to allow others to participate via Zoom. Mr. Wilson said that State law allows members of the Board to attend meetings through electronic means in accordance with the policy adopted by the body. It also allows for a full meeting of the Board through electronic means in accordance with that policy. President Hemphill asked the Committee to keep in mind that there are legitimate reasons for individuals to miss Board meetings on occasion.

Following discussion, the Chair asked Mr. Wilson to share with Committee members any sections of the Board's Bylaws or any policies that discuss Board attendance. This will be placed on the Governance Committee agenda as a discussion item at its meeting on June 13.

With no further business to discuss, the meeting was adjourned at 11:54 AM.