

**OLD DOMINION UNIVERSITY
BOARD OF VISITORS**

**AUDIT COMMITTEE
Thursday, June 13, 2013**

FINAL – APPROVED BY THE COMMITTEE 9/26/13

MINUTES

The Audit Committee of the Board of Visitors met on Thursday, June 13, 2013 in the James/Lynnhaven River Rooms of Webb University Center on the Norfolk campus. Present from the Committee were:

Frank Batten (Chair)
Jeff Ainslie (Vice Chair)
Marc Jacobson
Barry M. Kornblau (ex-officio)
Judy O. Swystun
Fred J. Whyte (ex-officio)

Also present were:

John R. Broderick	Deane Hennett
Robert L. Fenning	Donna Meeks
Velvet L. Grant	R. Earl Nance
David F. Harnage	Jay Wright

The Chair called the meeting to order at 8:05 a.m. Mr. Ainslie moved to approve the minutes from the April 26, 2013 meeting. Mr. Kornblau seconded the motion and the minutes were unanimously approved by all members present and voting. (*Ainslie, Batten, Jacobson, Kornblau, Swystun*)

Mr. Deane Hennett, University Auditor, updated the Audit Committee on matters affecting the audit environment in Virginia. As noted in the April meeting, the Commonwealth has a new inspector general, Michael Morehart, who began his term in July of 2012. Upon accepting the position, he was given three mandates to implement including: to investigate fraud, waste and abuse and to assume responsibility for the state hotline; to complete performance reviews of state agencies; and to establish relationships with auditor offices across the Commonwealth. In April Mr. Morehart issued his first directive to ODU requesting that the University 1) adopt the IA standards which were adopted 20 years ago and 2) provide copies of ODU's audit plan, risk assessments, audit reports and the status of corrective actions taken so that he can better understand ODU's audit process and coordinate his work plan with the various state agencies.

Mr. Morehart's office has hired Deloitte to complete a risk assessment for the entire Commonwealth of Virginia.

Mr. Hennett reminded the Committee about their April meeting with Eric Sandridge, from the Office of the Auditor of Public Accounts, who informed them about the new auditor, Martha Mavredes. No major changes will take place as a result of the change in leadership.

The Institute of Internal Auditors updated their audit standards, which takes place every three years. The minor changes resulted in the clarification of existing standards.

Mr. Hennett then noted internal audits, projects and initiatives underway including foundation relationships, NCAA compliance as it relates to financial aid, virtual IT environment controls, ODU's Card Center and continuing initiatives.

Finally, Mr. Hennett presented the proposed internal audit plan for fiscal year 2013-2014 that will begin July 1. The plan is coordinated with the Auditor of Public Accounts so that efforts are not duplicated. It is developed in part by reviewing risk assessments, areas that have experienced major structural change, a review of new regulations to determine if the University is positioned to meet them, coordination of strategic planning and any statewide concerns that arise. Mr. Jacobson moved that 2013-2014 Internal Audit Plan be approved. Mr. Ainslie seconded the motion and the Committee unanimously approved the plan by all members present and voting. *(Ainslie, Batten, Jacobson, Kornblau, Swystun)*

Mr. Ainslie read a closed session statement and moved to convene in closed session. Mr. Kornblau seconded the motion. The Committee then received, in closed session, details of recent audits and reviews performed in the President's areas, Administration and Finance and Academic Affairs. Specifically covered were audits of Foundation Relations and a follow-up of International Student and Scholar Services.

The Committee reconvened in open session. The Chair then read the certification statement for closed session. The certificate was unanimously approved and agreed upon by all members present and voting. *(Ainslie, Batten, Jacobson, Kornblau, Swystun, Whyte)*

There being no further business, the meeting was adjourned at 8:56 a.m.