

AGENDA
Audit, Risk Management, Compliance, and Ethics Committee
February 6, 2025

- I. Approval of Minutes – November 21, 2024
- II. Review of Operational Metrics
- III. Action Items – Change to Annual Audit Plan (Mr. Wayne Poole)
- IV. Informational Items
 - A. Enterprise Risk Management Update (Mr. Chris Rowland)
 - B. Academic Advising Update – previous audit (Dr. Allen Guidry)
 - C. Recent Internal Audits (Mr. Wayne Poole)
- V. Closed Session
- VI. Other Business



AGENDA ITEM

- I. Approval of Minutes..... Vince Smith
Committee Chair

Situation: Approval of the minutes from the most recent committee meeting.

Background: N/A

Assessment: N/A

Action: This item requires a vote by the committee.

**Minutes from the Audit, Risk Management, Compliance, and Ethics Committee
November 21, 2024 – Main Campus Student Center and Online Meeting**

The Audit, Risk Management, Compliance, and Ethics Committee of the ECU Board of Trustees met in person on November 21, 2024.

Committee members present: Vince Smith (Chair), Vanessa Workman, Jeff Roberts, Tom Furr, and Anderson Ward.

Trustee Vince Smith, Chair of the Committee, convened the meeting at 12:45 PM. Mr. Smith read the conflict-of-interest provisions as required by the State Government Ethics Act. Mr. Smith asked if anyone would like to report an actual or perceived conflict. None were reported.

Mr. Smith asked for the approval of the minutes of the September 26, 2024 committee meeting minutes.

Action Item: The minutes of the most recent committee meeting were approved with no changes.

Operational Metrics Review

The committee reviewed the operational metrics related to Internal Audit and Compliance, for the 2025 fiscal year to date through October 2024.

Action Items

The committee had no action items.

Informational Items

Enterprise Risk Management – Mr. Chris Rowland

Mr. Rowland briefed the committee on the recent work of the ERM Committee. He also shared information from the recent UNC System ERM retreat, including risks that are of interest across the UNC System, which are very similar to the top risks ECU is currently navigating.

Athletics Compliance Update – Ms. Alex Keddie

Ms. Keddie brief the committee on changes in the NCAA student athlete transfer landscape. Most notably she reported that a student athlete now has no limit on the number of transfers. Ms. Keddie also provided an overview of how the transfer process is managed at ECU and the various campus offices that are involved in the process.

Regulatory Compliance Committee Update – Mr. Wayne Poole

Mr. Poole provided an update from the Regulatory Compliance Committee, which was formed in 2023 at the direction of Chancellor Rogers in response to rapidly evolving compliance requirements, which is one of the top risks in the University risk register. Mr. Poole advised that the committee is co-chaired by the University General Counsel and the Chief Audit Officer. The briefing included an overview of key recommendations and accomplishments of the committee, and compliance-related topics that are currently being monitored.

Annual External Audits – Mr. Wayne Poole

Mr. Poole told the committee that the University's annual financial statement audit has been completed by the State Auditor. The audit resulted in a clean unmodified opinion of the University's financial statements and contained no findings and no reported internal control weaknesses. Mr. Poole also told the committee that the external audits of the affiliated entities have been completed. These also resulted in unmodified opinions and no findings or control weaknesses related to the financial statements.

**Minutes from the Audit, Risk Management, Compliance, and Ethics Committee
November 21, 2024 – Main Campus Student Center and Online Meeting**

Recent Internal Audits – Mr. Wayne Poole

Mr. Poole advised that since the Audit Committee’s last meeting, Internal Audit has closed 11 engagements. He briefed the committee on one of the audits, related to employee time reporting.

Closed Session

At 1:15 PM Trustee Ward made a motion to go into closed session to discuss items that are not a matter of public record according to applicable North Carolina statutes. The motion was seconded by Trustee Workman and approved unanimously.

At 1:41 PM the committee returned to open session.

Other Business

There was no other business to discuss, and the committee meeting was adjourned at 1:41 PM.

Respectfully submitted,
Wayne Poole
ECU Office of Internal Audit and Management Advisory Services



AGENDA ITEM

II. Operational Metrics Wayne Poole
Chief Audit Officer

- Situation:** Presentation of the metrics that are monitored by this committee.
- Background:** Each committee of the Board receives regular updates on metrics pertaining to their area of oversight. This committee receives metrics related to audit and compliance activities.
- Assessment:** Metrics for FY 2025 to date are generally on track. Some items dipped in December as is expected but will be back in the green as the new calendar year progresses.
- Action:** This item is for information only.

AGENDA ITEM

III. Action Items Wayne Poole
Chief Audit Officer

Situation: The University’s annual audit plan and internal audit charter, and any significant changes to them, must be approved by this committee.

Background: The committee hears proposed added or removed assurance engagements for approval. New investigative audits and small-scope consultative/advisory engagements are generally not presented to the committee.

Assessment: The Chief Audit Officer will present one added assurance engagement for the committee’s approval at this meeting. The new engagement is a new annual requirement that was mandated by a UNC System Regulation that the Board of Governors approved in November 2024.

Action: This item requires a vote by the committee.

East Carolina University
Office of Internal Audit
Annual Engagement Plan
By Type
FY 2025

Project Description		Budgeted Hours	% of Total	Key Risk	Strategy/Mission	Division
Integrated/Internal Controls/Operational/Performance Audits:						
HR Benefits Processes and Accounting	WIP	100	0.6%	X		AF
Cashier's Office	WIP	100	0.6%	X		AF
Research Systems	WIP	200	1.2%	X		AA
Data and User Access - Financial Aid	OP	200	1.2%	X		AA
Data and User Access - Finance	OP	300	1.8%	X		AF
Office Space Utilization	OP	300	1.8%	X		ALL
Lab Safety	OP	300	1.8%	X	X	AF, AA
Travel Expense Analytics Review	OP	300	1.8%	X	X	ALL
Emeritus Staff and Faculty Access to Resources	OP	300	1.8%	X		ALL
Athletics Facility Security	OP	300	1.8%	X		AT
Aquatics Center	OP	300	1.8%	X		AT
Student Emergency Response Process	OP	300	1.8%	X	X	SA
Central Reservations and Ticketing Operations	OP	300	1.8%	X		SA
		3300	19.7%			
Compliance Audits:						
Research Security	OP	300	1.8%	X	X	AA
Expense Review for External Sponsor - Climate Initiative Grant	OP	200	1.2%		X	AA
Admissions Process Compliance (selected programs only)	OP	300	1.8%	X	X	AA
ProCard Program Compliance (rev 2)	ADD	100	0.6%	X		AF
		900	5.4%			
Information Technology Audits:						
IT Disaster Recovery	OP	260	1.6%	X	X	AF
Teams, OneDrive, Sharepoint Configuration and Processes	OP	300	1.8%	X		AF
Enterprise Apps and Storage Activity Logging	OP	300	1.8%	X		AF
		860	5.1%			
Investigative Reviews:						
Triage of Allegations, Complaints, Concerns	OP	300	1.8%			ALL
Investigative Reviews - Details not included	OP	1500	8.9%			ALL
		1800	10.7%			
Follow-Up Reviews:						
Action Plan Tracking and Follow-Up	OP	600	3.6%			ALL
2nd Follow Up - Campus Safety Systems	OP	100	0.6%	X		AF
Follow Up - ECU Transit (rev 1)	ADD	120	0.7%	X		SA
		820	4.9%			
Consultations/Advisory Services						
Routine and Unplanned Consultations	OP	600	3.6%			ALL
Continuous Auditing and Monitoring Analytics	OP	300	1.8%			ALL
University Committees, Workgroups, Education, and Client Relations	OP	400	2.4%			ALL
ERM and Regulatory Compliance Committee Support	OP	200	1.2%			ALL
Student Athlete Course Clustering	OP	40	0.2%			AA
ECU Health Rev Cycle Integration	OP	200	1.2%			ECUH
Generative AI Policies and Practices	OP	100	0.6%			ALL
Public Consulting Services (orig planned as Assurance) (rev 1)	OP*	200	1.2%			ALL
		2040	12.2%			
Other/Special Projects:						

OP=Original Plan
WIP=Carry over from prior year
ADD=Added since July 1
CX=Cancelled
PPD=Postponed

East Carolina University
Office of Internal Audit
Annual Engagement Plan
By Type
FY 2025

Project Description		Budgeted Hours	% of Total	Key Risk	Strategy/Mission	Division
External Audits, SBI Reports, Routine Mtgs, BOT Comm	OP	1600	9.5%			ALL
Audit Software Admin and Maintenance	OP	100	0.6%			CH
Student Intern Program	OP	120	0.7%			CH
Annual Self-Assessment and QAIP Activities	OP	160	1.0%			CH
Risk Assessment/Audit Planning 2025-2026	OP	160	1.0%			ALL
		2140	12.8%			
Total Direct/Chargeable Hours		11860	71%			
Administration		1800	10.7%			NA
Leave/Holiday		2300	13.7%			NA
Professional Development		800	4.8%			NA
Total Indirect Hours:		4900	29%			
Grand Total Hours		16760	100%			

Original Plan Approved by Chancellor Rogers on 03/20/2024

Original Plan Approved by ECU Board of Trustees Audit, Risk Management, Compliance, and Ethics Committee on 4/11/2024

Rev 1 - Changes approved by BOT Audit, Risk Management, Compliance, and Ethics Committee Approval on 9/26/2024

Rev 2 - Changes for BOT Audit, Risk Management, Compliance, and Ethics Committee Approval on 2/6/2025

OP=Original Plan
WIP=Carry over from prior year
ADD=Added since July 1
CX=Cancelled
PPD=Postponed

AGENDA ITEM

IV.A. Enterprise Risk Management (ERM) Update Chris Rowland
Associate Vice Chancellor for Administration and Finance

Situation: Regular update to the committee on the University's top enterprise risks and emerging risks.

Background: This committee oversees ERM. The ERM function is owned by University senior management and is tightly integrated with Internal Audit, which develops and executes the annual risk-based audit plan.

Assessment: Mr. Rowland will update the committee on the current risk matrix, any recent events and changes that impact the risk landscape, and/or activities and updates from the University's ERM Committee.

Action: This item is for information only.

East Carolina University Enterprise Risk Management
2024-2026 Cycle Top Risks (as of May 2024)

Risk	Advisory Team(s)	Sponsor(s)
<p>University workforce challenges: Recruiting and retaining qualified and diverse faculty and staff, including healthcare professionals; Retaining institutional knowledge for long-term success and sustainability; Competitive compensation; Maintaining strong internal controls and mitigating key personnel vacancies; Faculty and staff wellness, stress, and burnout concerns; Morale and workforce effectiveness.</p> <p>Employee flexibility and remote work are key ways to mitigate these challenges, but these opportunities present risks related to cybersecurity, tax, export controls, compliance, and accountability of University assets.</p>	Cabinet, Human Resources	All VCs
<p>University financial sustainability: The ability to maintain sustainable revenues from all sources (enrollment, auxiliaries, appropriations), understanding the impacts of the new funding model, and the impact of economic conditions during the period covered by this risk assessment</p>	Cabinet, Finance	VCAF
<p>Student recruitment and retention in an increasingly competitive market, magnified by reputation/perception challenges outside eastern NC</p>	Strategic Enrollment Planning Team	Provost and All VC's
<p>Student crisis management, including basic necessities, mental and physical health, and other urgent needs</p>	Cabinet, Student Affairs	VCSA
<p>Cyber threats (from external and internal sources) to the confidentiality, integrity, and availability of data and information systems</p>	CIO, CISO	VCAF
<p>Significant changing regulatory compliance requirements, including healthcare, HIPAA, research, foreign influence/research security, DoD cybersecurity requirements, athletics, Title IX, personnel, equal opportunity, and privacy</p>	Legal Affairs, Internal Audit, Compliance Offices	Chancellor, VC Legal Affairs
<p>Clinical Healthcare: financial sustainability, dependence on external relationships for healthcare delivery, and risks related to the ECU Health integration</p>	BSOM Dean	Chancellor, BSOM Dean
<p>Maintaining campus infrastructure, including routine and deferred maintenance, and hiring of external contractors/service providers</p>	Campus Operations	VCAF
<p>Protecting ECU's reputation and visibility from negative publicity, lack of differentiation in the market, or failure to effectively communicate its strengths and achievements</p>	Cabinet	Chancellor
<p>Social unrest, such as protests, demonstrations, or riots, due to various factors, including political tensions, social injustice issues, or campus-specific grievances. These events have the potential to create unsafe conditions for individuals on campus, disrupt academic activities, and result in property damage or loss</p>	Cabinet	Chancellor

East Carolina University Enterprise Risk Management 2024-2026 Cycle Secondary Risks

(These were considered by the ERM Committee but are not presently considered “top risks”)

- Sustainability of academic and student support programming and services and ability to meet student needs and parent and societal expectations, especially in the current environment
- Technology backup, recovery, and continuity and coordination of priorities between IT and functional management
- Increased risk in academic integrity issues with the number of remote students and exams
- Legal liability issues, including health and safety, student access, accommodations, and employment matters (EEOC, ADA, etc.)
- Inability to sustain innovation and economic development due to resource constraints, impacting the engagement with and positive outcomes for eastern NC
- Business continuity planning that could be insufficient to prevent an operational failure from a disaster or other significant event(s)
- Lack of dedicated identification and monitoring of sponsored program expenditures and tracking of institutional metrics for externally funded research amplified by inadequate interfaces between the information systems used for research
- Conflicts of interest in research and patient care, which could result in loss of external funding and reputational damage
- Affiliated Entities' risk of noncompliance with operating agreements, misalignment with the university's mission, and potential for reputational damage
- Responding to the changing demographics of our students. Adult learners' needs will be different than traditional college-aged students. Adult learners will not be as interested in student affairs services such as clubs, organizations, activities, etc., or perhaps athletics. The University will need to right-size these and other services to meet the needs of our different student populations.
- Artificial intelligence – the rising availability and use of which presents opportunities in higher education, but also increases risks related to academic integrity, research, data privacy and security, and student educational outcomes.
- The collegiate athletics landscape – NIL, employer status, amateurism model, revenue model, etc.

East Carolina University Enterprise Risk Management Emerging Risks

- Inability to sustain extramural research and sponsored programs due to resource constraints, impacting faculty scholarship, discoveries and advances, faculty recruitment and retention, and student engagement.
- New UNC System DEI policy and the elimination of DEI-related positions and associated state funding.

AGENDA ITEM

IV.B. Academic Advising Update.....Dr. Allen Guidry
Associate Provost, Learner Operations

Situation: This committee receives updates on the status of efforts to remediate previous audit recommendations. An internal audit of Academic Advising resulted in several recommendations which University leadership is addressing.

Background: Academic Advising is crucial to the University’s Student Success goals and a concerted effort is being placed on standardizing students’ experiences and level of service across colleges, schools, and departments. Dr. Guidry is leading this effort, which includes a commission with participants from the various colleges and schools.

Assessment: Dr. Guidry will update the committee on the efforts that have occurred to date and the goals/timeline for completing the work towards addressing the audit recommendations and optimizing the student advising experience and expectations.

Action: This item is for information only.

UPDATE: Advising Audit Progress

Allen Guidry, EdD - Associate Provost for Learner Operations

Angela Anderson - Associate Vice Chancellor of Student Academic
Success



Refresher - Observations from audit

1. No centralized oversight or codified expectations of academic advising.
2. Roles and responsibilities of advisors are not clearly defined and vary by college.
3. Advising resources and tools are inconsistent among the colleges.
4. Advising loads and telework expectations are not consistent and may warrant review and/or adjustment.
5. Data to identify at-risk student behaviors is not consistently monitored and reviewed among colleges.

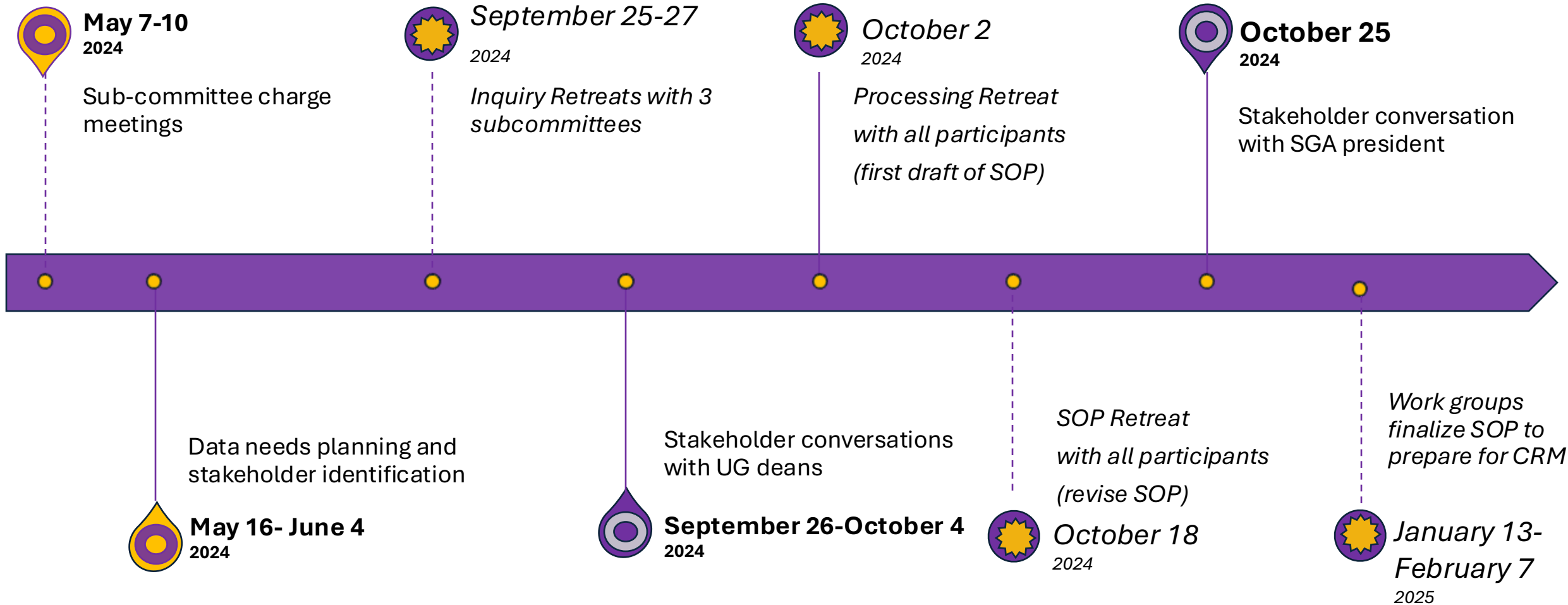
Refresher - Recommendations from audit

- Consider establishing a centralized office or person to oversee academic advising and/or establish standard procedures and expectations.
- Develop a clear role and document responsibilities for academic advisors. These expectations should be consistent among all advisors within each of the colleges and communicated with administrators, faculty, advisors, and students.
- Determine the feasibility of moving towards the use of common systems, tools, and communication methods by advising centers. This could potentially result in cost savings and a more consistent experience for students in the various colleges and schools.
- Work with college deans and advising directors to evaluate advising loads and the roles and responsibilities of academic advisors to determine whether their advising loads are reasonable to provide adequate advising and attention to their students. This includes revisiting appropriate mix of telework.
- Determine the criteria for identifying “at-risk” student behaviors and what data is available to identify them in a timely manner. Determine who is responsible for identifying and communicating with these students to determine how the University can support them and encourage their success.

Action - Advising Standardization Commission

- Charge: investigate the five major areas identified within the audit to revisit and reframe organization, policy and, procedure related to the Advising Collaborative.
- 3 sub-committees on
 - (a) Advising standards and practices (to address observations 1 and 2; roles, responsibilities, loads, scheduling, standard expectations of service)
 - (b) Advising systems (to address observations 3 and 5; utilization of uniform systems like ECU Connect, Degree Works, CRM, Scheduler, etc.)
 - (c) Advising workforce policy (to address observation 4; telework expectations, job classifications, and career ladder).

ASC Phase 1 timeline

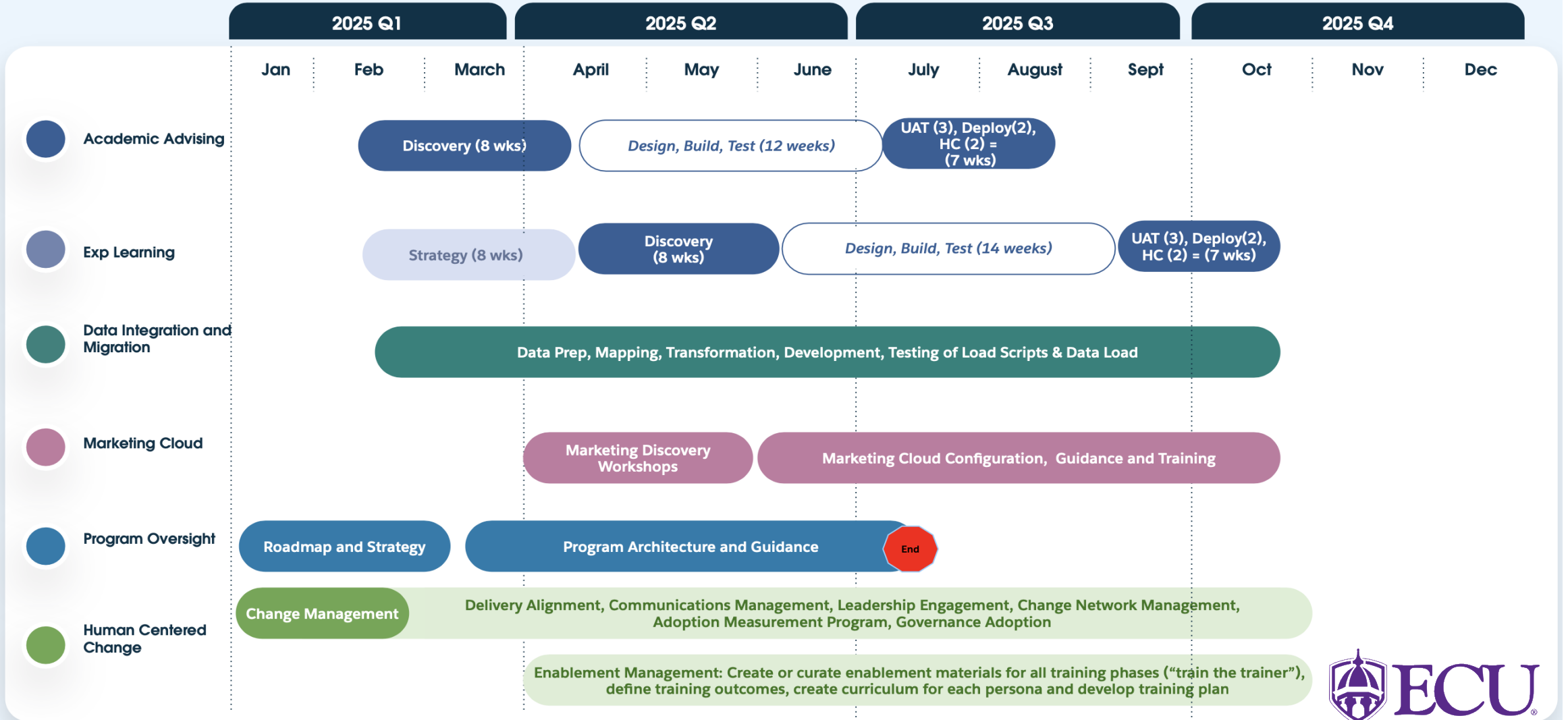


Wins during/after Phase 1...

1. Collaborative solutioning and understanding current practices across campus
2. Single vision of the student experience
3. Process simplification/improvements
4. New and revised reports with detailed/specific information that makes advising less cumbersome (freeing time for engagement)

Phase 2 – Integration of ASC SOPs into CRM

High-Level Timeline



Discovery



AA Subject Matter Experts

Discovery: Activities and Time Commitment (Feb - April)

Subject Matter Experts

- Weeks 1 - 5: Attend workshops (2-5 hours/week)
- Weeks 6 - 7: Review user stories, follow-up meetings (3-5 hours/week)*
- Weeks 7 - 8: Approve and prioritize user stories for build (5+ hours/week)

*Project Team is comprised of representatives of each advising center piloting the CRM in Phase 2 (HHP, COB, and MAP) as well as 1 representative from each UG advising center



*Can be a designated subset, depending on stories for review



Build for Pilot Implementation



AA Subject Matter Experts

Build: Activities and Time Commitment (April - July)

Subject Matter Experts*

- Attend stand-up (3x per week, 1.5 total hours/week)
- Weekly Backlog refinement (1.5 hours/week)
- Attend fortnightly demo (90 mins)
- Perform testing and provide feedback (3 - 5 hours/week)



*Can be a designated subset of participants, depending on functionality delivered in any sprint



User Acceptance Testing (UAT) – Pilot implementation



AA Subject Matter Experts

UAT: Activities and Time Commitment (July - August)

Subject Matter Experts*

- Attend stand-up (3x per week, 1.5 total hours/week)
- Perform end to end testing and participate in feedback sessions (10 hours/week)



*Can be a designated subset of participants, depending on functionality delivered in any sprint



Sample of activities – Phase 2

Calendar View Example for Discovery (2/12 - 4/12)



	February 10	February 11	February 12	February 13	February 14
W 1	EXAMPLE		Kick off Meetings (½ day)	Discovery Workshop (1.5 hours)	
	February 17	February 18	February 19	February 19	February 20
W2	Student 360 Discovery Workshop (90 mins)	Agile Development Enablement (90 mins)	Change Mgmt Weekly Meeting (60 mins)	Student 360 Discovery Workshop (90 mins)	Alerts Discovery Workshop (90 mins)
	February 24	February 25	February 26	February 27	February 28
W3	Appointment Scheduling Discovery Workshop (90 mins)	Data and Integration Strategy Kick Off (60 mins, Tech Group)	Change Mgmt Weekly (60 mins) Care Plans Discovery Workshop (90 mins)	Data and Integration Strategy (60mins, Tech Group)	Appointment Scheduling Discovery Workshop (90 mins) Student 360 Discovery Workshop (90 mins)
	March 3	March 4	March 5	March 6	March 7
W 4	Change Mgmt- Stakeholder Interviews (30 mins)	Care Plans Discovery Workshop (90 mins)	Change Mgmt Weekly (60 mins)	Data and Integration Strategy (60 mins, Tech Group)	Change Mgmt - Stakeholder Interviews (30 mins)

Questions?





AGENDA ITEM

IV.C. Recent Internal Audits..... Wayne Poole
Chief Audit Officer

Situation: The committee receives a briefing at each meeting on selected internal audit engagements that have been closed.

Background: Committee Chair Smith and Vice Chair Workman selected the engagements to be discussed at this meeting.

Assessment: Mr. Poole will present background and results of the selected engagements. Members of University management will also be present to answer questions about the status of resolving any audit recommendations.

Action: This item is for information only.



AGENDA ITEM

V. Closed Session Vince Smith
Committee Chair

Situation: This committee receives updates on specific audits, compliance, and other related topics that are not a matter of public record in accordance with applicable North Carolina General Statutes.

Background: The committee does need to receive updates on some non-public matters at this meeting.

Assessment: The committee will receive updates on the relevant issues from University administrators.

Action: This item is for discussion only.



AGENDA ITEM

VI. Other Business Vince Smith
Committee Chair

Situation: This agenda item is for any other business deemed necessary by the committee.

Background: This committee members will suggest any other items needing discussion.

Assessment: The committee will discuss the relevant issues.

Action: This item is for discussion only.