



**Board of Trustees
Committee Meeting
Rudolph Jones Student Center
Room 242**

**Committee on Legal, Audit, Risk and Compliance
Wednesday, December 7, 2022
1:00 p.m.**

AGENDA

Call to Order Glenn Adams, Committee Chair

Welcome and Opening Remarks Glenn Adams, Committee Chair

Roll Call

Approval of Minutes September 21, 2022

Information Item:

A. Audit Update Megan Fees
Interim Director of Internal Audit

B. Information Technology Update Hector Molina
*Vice Chancellor for Information Technology Services
and Chief Information Officer*

There are no Action Items to be presented at this Committee meeting.

Committee members: Glenn Adams, Warren McDonald, John McFadyen, Frederick Nelson
William Warner

Staff Liaison: Wanda Jenkins

Board Professional: Tonya Frederick

For further information, please contact:

Wanda Jenkins

General Counsel and Vice Chancellor for Legal, Audit, Risk and Compliance

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COMMITTEE ON LEGAL, AUDIT, RISK, AND COMPLIANCE

Wednesday, September 21, 2022

11:30 AM

The Committee on Legal, Audit, Risk, and Compliance of the Fayetteville State University Board of Trustees convened Wednesday, September 21, 2022, in the Rudolph Jones Student Center Room 242 and via ZOOM. The meeting was called to order at 11:30 a.m., by Chairman Glenn Adams.

ROLL CALL

The following trustees were in attendance: Chair Glenn Adams, Mr. Frederick Nelson, Dr. Warren McDonald, Mr. John McFadyen and Mr. William Warner were present.

APPROVAL OF MINUTES

It was moved by Trustee McFadyen and seconded by Trustee McDonald that the minutes for June 8, 2022, be approved. The motion carried.

INFORMATION / ACTION ITEMS

The Legal, Audit, Risk, and Compliance Committee Meeting was opened by Chairman Glenn Adams, who introduced Vice Chancellor Wanda Jenkins.

Legal, Audit, Risk, and Compliance Goals – VC Wanda Jenkins

Vice Chancellor Jenkins discussed her division's goals for the FY '23 to include establishing an Equity Office and creating a risk awareness culture through policy making and training.

Vice Chancellor Jenkins also discussed her divisions' role in ensuring compliance during the construction management process. Vice Chancellor Jenkins's involvement will include serving on the pre-selection committees, reviewing bid and contract documents, monitoring HUB goals, ensuring the completion of background checks and ensuring compliance with ADA standards.

Information Technology Services Goals – VC Hector Molina

Vice Chancellor for Information Technology and CIO, Dr. Molina, briefed the Committee on the upcoming goals for Fiscal Year 2022/2023, specifically pointing out the key initiatives he believes will elevate the campus's technology infrastructure and services.

Dr. Molina also introduced to the Committee, the University Chief Information Security Officer, Charlie Mewshaw. Mr. Mewshaw shared his vision for our campus's programmatic approach to information security and provided insight into the Information Security Office's outreach and awareness activities that will advance our campus information security posture over the next six to nine months.

ADJOURNMENT

Chairman Adams Adjourned at 12:05 p.m.

Respectfully submitted, Janae Whitmore

BOARD OF TRUSTEES LEGAL, AUDIT, RISK AND COMPLIANCE COMMITTEE MEETING

Wanda L. Jenkins

General Counsel and Vice Chancellor for Legal, Audit, Risk and Compliance

INTERNAL AUDIT OVERVIEW



Financial Statement Audits Fiscal Year Ended June 30, 2022

OFFICE OF THE STATE AUDITOR

- ◆ University Financial Statement Audit

SHARPE PATEL PLLC

- ◆ Fayetteville State University Foundation Inc. and Subsidiary Audit
- ◆ Fayetteville State University Student Housing Corporation and Subsidiary Audit

Audit Results

The applicable financial statements were free from material misstatements and no internal control deficiencies were identified.

INTERNAL AUDIT OVERVIEW

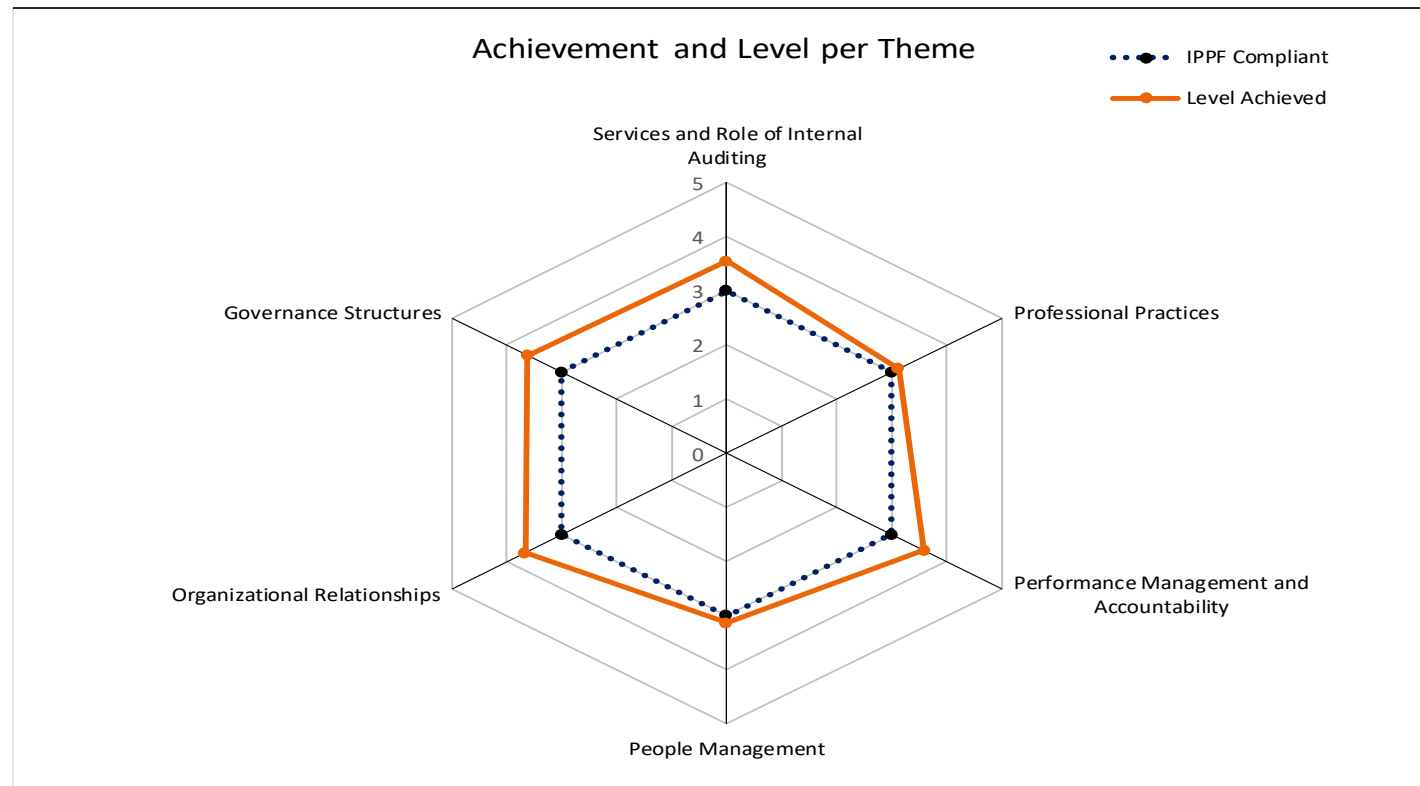
Self-Assessment Maturity Model

- ◆ Required by the North Carolina Council of Internal Auditing
- ◆ Purpose of the Assessment:
 - Provides a framework for assessing Internal Audit against professional internal audit standards and good practices.
 - Provides a communication tool for what is meant by effective internal auditing, how it serves the university and stakeholders, and to provide information to decision makers.
 - Helps identify potential gaps and development areas for the internal audit function.
- ◆ Ratings are from 1 to 5. Corrective actions plans are required for any rating at less than a 3.

INTERNAL AUDIT OVERVIEW

FSU 2022 Self-Assessment Maturity Model

Theme	IPPF Compliant	Level Achieved
Services and Role of Internal Auditing	3	3.6
Professional Practices	3	3.1
Performance Management and Accountability	3	3.6
People Management	3	3.1
Organizational Relationships	3	3.7
Governance Structures	3	3.6



QUESTIONS

BOARD OF TRUSTEES DIVISION OF INFORMATION TECHNOLOGY SERVICES

Dr. Hector Molina
Vice Chancellor for Information Technology | CIO

DIVISION GOALS – 2022/2023



Goal #1:
*Customer
Service*



Goal #2:
*Transform
Network
Infrastructure*



Goal #3:
*Talent
Management*



Goal #4:
*Security
Awareness*



Goal #5:
*Modernize
Classroom
Technology*

DIVISION GOALS – 2022/2023



Scope: upgrade the WI-FI infrastructure w/i all Administrative and Academic buildings

Advantages/Benefits:

- 1) Increased Mobility and WI-FI Speeds (up to 10 times)
- 2) Expanded Coverage and Capacity

Investment: \$2.2M

Supporting the University through Cyber Resilience

Charlie Mewshaw
Chief Information Security Officer

Agenda

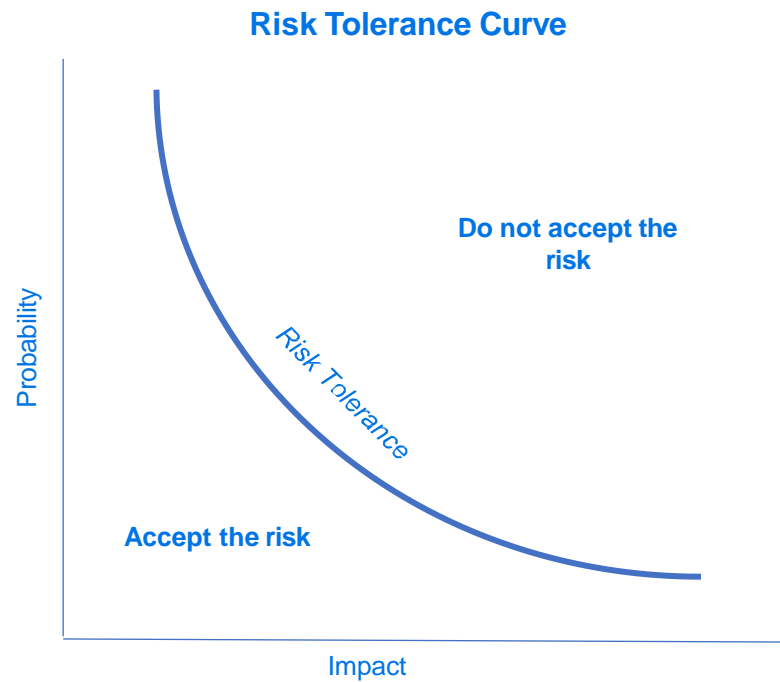
- Introduction
- University Goals for a Cybersecurity Program
- Program Alignment
- Maintaining a Programmatic Approach
- Operational Improvements
- Strategic Improvements
- Persistent Risks
- Opportunities

University Goals for a Cybersecurity Program

- Identify Cybersecurity as a strategic University enabler.
- Understand the economic drivers and impact of cyber-risk.
- Align cyber-risk management with campus needs.
- Ensure organizational design supports cybersecurity.
- Incorporate cybersecurity expertise into governance.
- Encourage systemic resilience and collaboration.



Program Alignment



- Risk tolerance is based on a threat's probability and impact.
- More severe risks can be tolerated provided their probability is low.
- University and security can align by agreeing what is and is not an acceptable risk.

Program Alignment

ITS Information Security Office Process for Alignment

- Complete an annual self-assessment.

1

- Leverage 3rd party partners to verify self-assessment and identify gaps.

2

- Identify feasible action items, focus on those items, repeat the process.

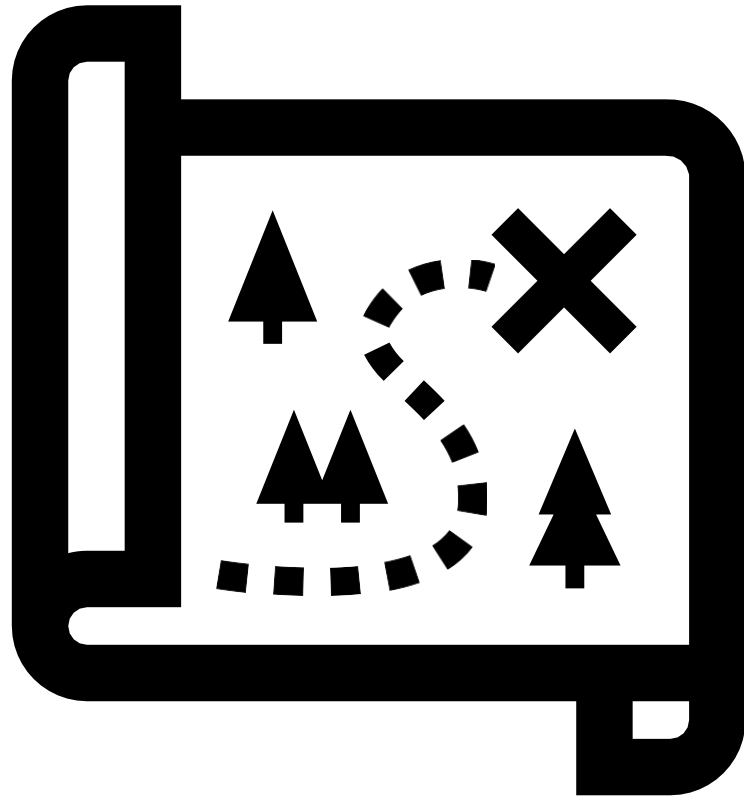
3

Maintaining a Programmatic Approach



- Investments in cyber infrastructure need to align with the University needs.
- Controls need to be in line with enterprise risk appetite.
- IT risk decisions should not be made in a vacuum.
- Collaboration is essential.
- Cybersecurity is an ongoing effort, there is no “easy button.”

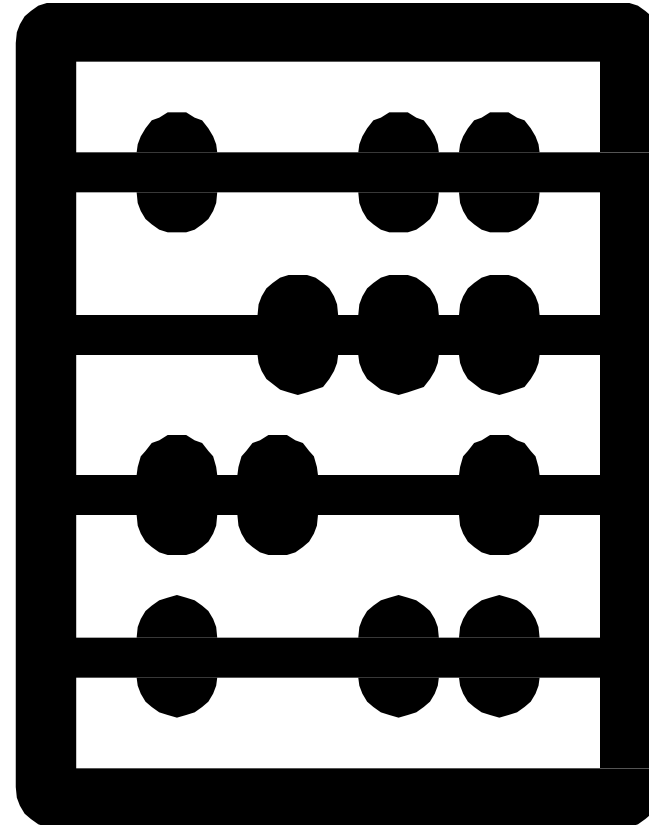
Strategic Improvements for 2022



- Establishment of a full-time Information Security Office lowered cyber-insurance rates.
- Process documentation has improved both ITS staff and customer experience.
- Policy updates reflect practical capabilities.
- Data governance efforts reduce overall risk to business data.
- Outreach and awareness program.
- Collaboration with campus business units.
- Assessment against multiple formal frameworks.

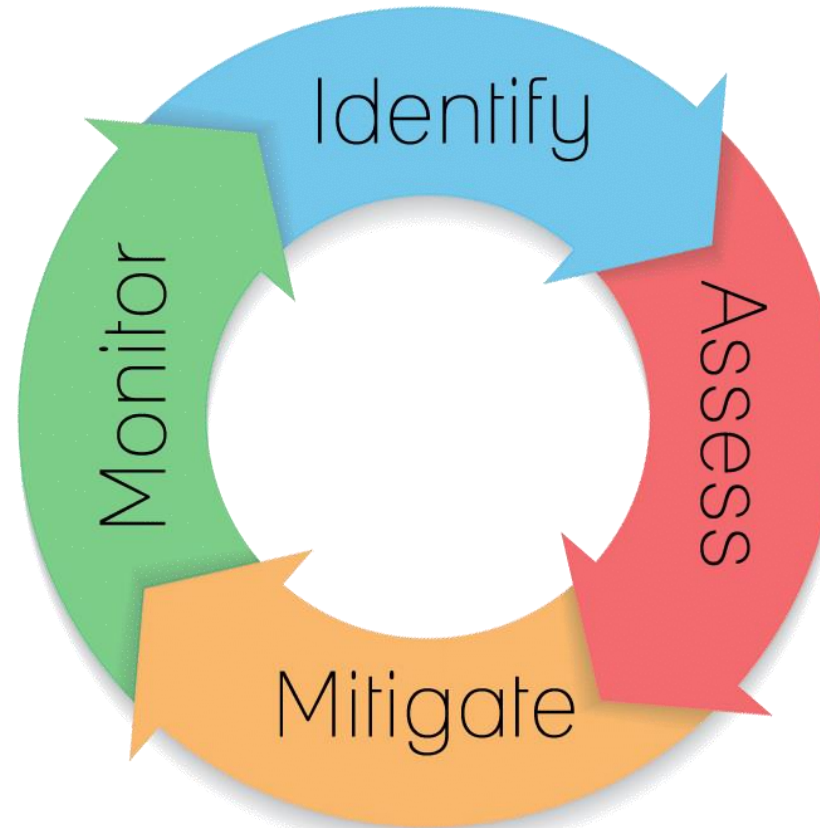
Operational Improvements

- Secured network detection and endpoint response solutions to help protect campus resources.
- Currently implementing tools that will help ITS support our distributed assets and meet people where they are.
- **Technical controls:** enhanced reporting and response in place.
- **Personnel:** ITS staff are engaging in practical continuing education exercises.

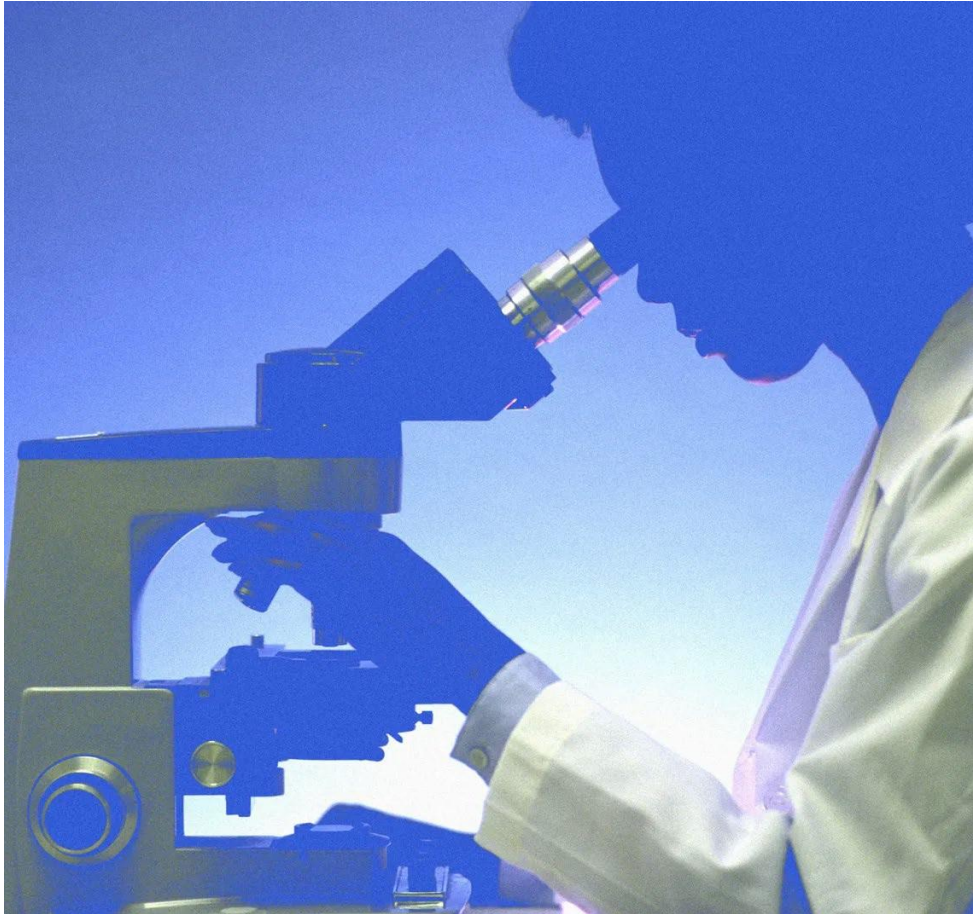


Persistent Risks

- Policy requires regular review to ensure compliance.
- User awareness requires regular engagement.
- Emerging technical threats require monitoring.
- Vendor management.



Opportunities: Supporting Research



- ITS has engaged in voluntary consultations with outside parties (both state and private) to identify gaps in formal security frameworks.
- Compliance with established frameworks will create opportunities for Federal funding.
- Action plans are in active development to support campus goals in this space.

Opportunities: Supporting Research

- National Institute of Standards and Technology Special Publication 800-171 is a Federally recognized and standardized framework.
- In some cases, compliance with this framework is required for eligibility to receive Federal funding.
- ITS is currently working with multiple partners to pursue compliance to position the University

Opportunities: Community Engagement

- ITS will continue opportunities to interact with and educate faculty, staff, and students.
- Exploratory conversations with other schools in the UNC system are underway to exchange knowledge and opportunities.
- ITS is engaged in conversations with the larger Fayetteville community (to be a partner to the public).



QUESTIONS