

**GEORGE MASON UNIVERSITY
AUDIT, RISK, AND COMPLIANCE COMMITTEE
OF THE BOARD OF VISITORS**

**November 19, 2024
MINUTES**

PRESENT: Chair Oberoi, Vice Chair Alacbay, Visitors Brown, Marcus, and Meese.

ABSENT: Visitor Blackman.

ALSO PRESENT: Rector Stimson; President Washington; Director of IT Risk and Compliance Aorhi; Provost and Executive Vice President Antony; Undergraduate Student Representative Cuesta; Executive Vice President of Finance and Administration Dickenson; Faculty Liaison Douthett; Vice President of Finance Heinle; Graduate Student Representative Hoffman; University Counsel Gentry; Vice President and Chief Information Officer Madison; Director of IT Security McNay; Associate University Counsel Schlam; Faculty Senate President Simmons; Staff Senate Chair Sims; Assistant Vice President and Deputy Chief Information Officer Spann; Director of Financial Reporting Sultana; Executive Vice President for Strategic Initiatives and Chief of Staff Walsh; University Ethics Officer Woodley; Interim Senior Vice President and Chief Risk Officer Zobel; Auditor of Public Accounts Representative Borgerding; Chief Audit and Compliance Officer Dittmeier; Deputy University Auditor Butler; and Associate Vice President for Institutional Compliance Lacovara.

I. Chair Oberoi called the meeting to order at 8:16 a.m.

II. Approval of Minutes

Chair Oberoi called for any corrections to the minutes of the September 26, 2024 Audit, Risk, and Compliance Committee meeting. Hearing none, the **MINUTES STOOD APPROVED AS WRITTEN.**

III New Business

A. Auditor of Public Accounts Examination Discussion

Mr. Borgerding from the Auditor of Public Accounts provided an overview of their planned audit of the financial statements for the year-ended June 30, 2024. The audit is designed to provide an opinion that the university's financial statements are fairly presented in all material respects. The Auditor also plans to issue a separate Internal Controls and Compliance Report covering internal controls over financial reporting and to perform procedures to support the Single Audit of the Commonwealth's

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compliance with requirements applicable to federal student financial assistance programs. An agreed-upon procedures engagement of Intercollegiate Athletics' Statement of Revenues and Expenses required under NCAA Bylaws is being performed by Forvis Mazars; the Auditor of Public Accounts will review this report prior to issuance. Mr. Borgerding confirmed that results would be reported at the Committee's May 2024 meeting.

The Committee discussed with Mr. Borgerding his previous experiences auditing George Mason's financial statements; requested a briefing on the results of the Single Audit and the agreed-upon procedures engagement at its February meeting; and invited Mr. Borgerding to communicate directly with the Chair or any Committee member regarding any difficulties or disputes encountered during the audit.

B. Information Technology Update

Vice President and Chief Information Officer Madison provided an overview of information technology at George Mason. Like most universities, George Mason operates in a distributed IT environment with shared governance, although demarcations in governance are not always clearly defined. Most administrative processing is centralized.

Dr. Madison reviewed with the Committee the university's cybersecurity strategy designed to protect the integrity, confidentiality, and availability of university data while fostering a secure environment for learning, research, and innovation. The strategy consists of pillars related to data protection and privacy; security awareness and training; cutting edge cybersecurity research; technology and infrastructure; and collaboration and partnership. The Committee discussed with Dr. Madison cybersecurity maturity model certification requirements for certain research awards, accessibility compliance requirements, the nature of the university's penetration testing exercises, and considerations particular to Mason Korea activities.

Assistant Vice President and Deputy Chief Information Officer Spann reviewed the status of the university's multi-year efforts to holistically strengthen important IT governance and IT service delivery processes across the enterprise. Key processes include the information security compliance program, including the adoption of a security baseline control framework based on NIST 800-53 standards and the completion of a controls self-assessment of the Banner core environment; portfolio and project management, including the implementation of certain Domain Councils to prioritize and align technology investment; configuration and change management; identity management and access control; and the risk assessment and remediation program, including improved risk assessment

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processes and high performance computing security plan templates; among others. These efforts are expected to continue for multiple years.

During the update, the Committee discussed with Mr. Spann and Mr. McNay the Chief Information Security Officer's reporting relationships and the ability to balance and surface potential risk, funding, or resourcing concerns.

Chair Oberoi **MOVED** that the Audit, Risk, and Compliance Committee go into Closed Session under the provisions of Section 2-2-3711.A.19 of the Code of Virginia to discuss the security of university information technology systems. The motion was **SECONDED** by Visitor Brown.

MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE.

Following closed session, Chair Oberoi **MOVED** that the Audit, Risk, and Compliance Committee go back into Public Session and further moved that by roll call vote we affirm that only public business matters lawfully exempted from the open meeting requirements under the Freedom of Information Act were heard, discussed or considered in the Closed Meeting, and that only such business matters that were identified in the motion to go into a Closed Meeting were heard, discussed, or considered in the Closed Meeting. Any member of the Committee who believes that there was a departure from the requirements as stated above, shall so state prior to taking the roll call, indicating the substance of the departure that, in their judgment, has taken place. The motion was **SECONDED** by Visitor Marcus.

MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE.

C. Review of Audit, Risk, and Compliance Committee Charter

The Committee completed its annual review of the Audit, Risk, and Compliance Committee Charter and noted that the charter is aligned with the university's by-laws and no updates are necessary. The Committee discussed the Charter's stated composition requirements, including that one member be financially literate as determined by the Board of Visitors, and suggested that future Boards consider additional areas of expertise, such as technology, that should be represented in the composition of future Audit, Risk, and Compliance Committees.

D. Approval of Office of Audit and Compliance Charter

The Committee reviewed the Office of Audit and Compliance Committee Charter, and noted minor changes are recommended to conform to changes in the Institute of Internal Auditors' Global Internal Audit

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Standards. Visitor Brown **MOVED** and Visitor Meese **SECONDED** that the Office of Audit and Compliance Charter be approved. Mr. Dittmeier confirmed the organizational independence of Mason's internal audit function. After discussion, the Committee concurred with Mr. Dittmeier's organizational independence confirmation.

MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE.

IV. Reports

Chair Oberoi asked for the highlights of the reports received by the Committee to be discussed:

- Report of Approved Waivers of Contractual Conflict of Interests for the year ending November 1, 2023.
The report shows (i) waivers related to dual employment of immediate family members and (ii) waivers related to employees with a personal interest in a contract whether for research and development, commercialization of intellectual property, or for another purpose.
- Information Security Program Status Update required to comply with the Gramm-Leach-Bliley Act Safeguards Rule.
- Office of University Audit Summary Report.
Deputy University Auditor Butler described his background and activities since joining George Mason in September 2024. He reported that four memos related to completed investigations and certain IT-related audit work had been issued since the prior Committee meeting, and that multiple projects remain in progress.
- Review of Office of University Audit Planning.
Mr. Butler described University Audit's risk assessment and audit planning process, which is based on top-down and bottom-up assessments of risk supplemented with continuous monitoring of the external and internal environment. University-level risk areas are generally consistent with prior periods and map well to management's enterprise risk areas.
- Enterprise Risk Management Program Summary Report.
Dr. Zobel reported that action plan owners continue to make progress towards the mitigation strategies. The three top risks remain funding resources, competition, and cybersecurity.
- Office of Institutional Compliance Summary Report.
- Information Technology Risk and Control Infrastructure Program Update.

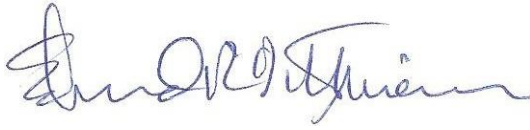
VI. Adjournment

Chair Oberoi adjourned the meeting at 9:30 a.m.

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A handwritten signature in blue ink, appearing to read "Edward R. Dittmeier". The signature is fluid and cursive, with the first name being the most prominent.

Edward R. Dittmeier

Secretary pro tem