

**THE PENNSYLVANIA STATE UNIVERSITY
BOARD OF TRUSTEES**

**COMMITTEE ON AUDIT AND RISK
MINUTES OF MEETING
VOLUME AR 18**

July 19, 2018

A meeting of the Committee on Audit and Risk (the Committee) of the Board of Trustees was held on Thursday, July 19, 2018, 12:30 p.m., at Penn State Berks. The meeting was held pursuant to Notice which was emailed to each of the members.

The following members, constituting a quorum, were present: Edward "Ted" B. Brown, Mark H. Dambly, Walter C. Rakowich, Chair (presiding), and Elliott W. Weinstein. Also attending were staff members Joseph J. Doncsecz, Stephen S. Dunham, David J. Gray, Daniel P. Heist, Nicholas P. Jones, Michael J. Kubit, and Gary W. Langsdale; and, Synthea Hairston, student representative.

Chair Rakowich called the meeting to order.

A. Approval of minutes from June 1, 2018 meeting

The Committee voted and approved the minutes of the June 1, 2018 meeting.

B. Roles and Responsibilities Matrix

Dan Heist reviewed the Roles and Responsibilities Matrix.

C. Informational Item – Acknowledgement of Code of Ethics

Joe Doncsecz noted the intent of the Acknowledgement of Code of Ethics is that, while not required, it is a self-imposed business practice that is in line with best practices. This is signed annually by Joe Doncsecz and David Gray.

D. Internal Audit Items

Dan Heist noted that the Committee received the June 30, 2018 Follow-Up Report/Open Issues Status document. He provided a context on progress, and Chair Rakowich noted appreciation for the efforts. Dan provided an overview of his organization, including some changes to allow for some career progressions and succession planning. The internal audit plan as well as the internal audit department charter (both with motions from Trustee Brown and both seconded by Trustee Weinstein) were both unanimously approved by the Committee.

E. Update from Subcommittee on Risk

Ted Brown and Gary Langsdale provided an update on the Risk Subcommittee. The University Risk Management Plan (with a motion from Trustee Rakowich, seconded by Trustee Dambly) was unanimously accepted by the Committee. Trustee Brown noted that work is ongoing to have the document more clearly reflect mitigation efforts by the University.

The public meeting was adjourned at 1:15 p.m. Following the public meeting, the Committee met in Executive Session.

Respectfully submitted,

Jeanie Andrews
Associate Secretary, Board of Trustees