THE PENNSYLVANIA STATE UNIVERSITY
BOARD OF TRUSTEES

COMMITTEE ON AUDIT AND RISK
MINUTES OF MEETING
VOLUME AR 42

September 27, 2023

A meeting of the Committee on Audit and Risk was held on Wednesday, September 27, 2023, at 11:00 a.m.

The following members, constituting a quorum, were present: Chair Black, Vice Chair Brown, and Trustees Cairns, de Levie, Dunn, Hasenkopf, Lubrano, Onorato, and Quintos. Also attending was the Governor's Representative Myers. Staff members present included Brautigam, Crain, Harvey, Heist, Matty, Oman, Oziemblowsky, Pell, Raab, Schenck, Schwartz, Smith, Teachey, Thorndike, and Wagner.

The meeting was called to order by Chair Black at 11:00 a.m. He welcomed panelists, and noted for the public attending via Microsoft Livestream the agenda and supporting materials would be available at https://trustees.psu.edu/. Oziemblowsky confirmed a quorum of the committee was present. Chair Black welcomed new Committee members Trustees Onorato, Quintos, Governor's Shapiro's representative Myers, and Vice-President, Council of Commonwealth Student Governments Jacob Levondosky.

Chair Black called for a motion to approve the *Minutes* of the Jun 20, 2023, meeting of the Committee. A motion was put forward by Trustee Brown, seconded by Trustee Cairns, and approved unanimously.

Chair Black introduced Dan Heist, Director of Internal Audit at Penn State, who discussed the Committee's roles and responsibilities for the fiscal year. He reviewed fiscal year 2024 audit plan, after which Chair Black called for a motion to approve it, which was put forward by Trustee Cairns, seconded by Trustee Lubrano, and approved unanimously. Virginia Teachey, Associate Vice President for Budget and Finance, supplied a financial statement external audit update, followed by an Information Technology update by Keith Brautigam, Interim Vice President for Information Technology and CIO. Brautigam welcomed Kyle Crain, Acting Chief Information Security officer at Penn State, and discussed the migration from Duo to Microsoft (MS) Multi Factor Authentication (MFA) and other IT matters.

Chair Black and Heist presented the results of the Committee self-assessment survey, which had a ninety percent completion rate as compared to forty percent completion rate in 2022. Overall there were very positive comments regarding the Committee's work, with the majority of responses strongly agreeing with its strategic focus and direction. The strongest areas were clear understanding of the committee's roles and responsibilities, external audit process, office of internal audit, committee dialogue and meeting topics. Areas cited for improvement by at least one respondent was more focus on strategic objectives, more proactivity around risks, and more regular educational updates on University risk. Chair Black noted a summary of the report is available in Diligent for review by Trustees. He stated the next meeting of the Audit and Risk Committee is scheduled for Nov 9, 2023 at 3:00 p.m. in Eric J. Barron Innovation Hub.

Chair Black adjourned the public meeting at 11:19 a.m., at which time the Committee went into conference session meeting individually and privately with management, Plante Moran representatives Katie Thornton and Vicki VanDenBerg, and the Committee only.

The Sept 27, 2023 public meeting of the Committee on Audit and Risk can be viewed in its entirety here.

Respectfully submitted,

Thomas Oziemblowsky
Associate Director
Board of Trustees