FAYETTEVILLE STATE UNIVERSITY

Board of Trustees
Committee Meeting
Rudolph Jones Student Center
Room 242

Committee on Legal, Audit, Risk, and Compliance
Wednesday, September 23, 2026
11:30 a.m.

AGENDA

Call to Order	Glenn Adams, Committee Chair
Welcome and Opening Remarks	Glenn Adams
Roll Call	Karen Bussey
Approval of Minutes:	March 25, 2026 June 10, 2026

Information Items:

A. Internal Audit Update *(LARC-1)*	Robert Davis *Director of Internal Audit*
B. Environmental Health and Safety Update	Daniel Core *Director of Environmental Health and Safety*

Action Items:

C. LARC-1: Internal Audit Workplan	Robert Davis

Committee Members: Glenn Adams, Kimberly Jeffries Leonard, Jerry Gregory, John McFadyen, Donald Moore

Staff Liaison: Wanda Jenkins
Board Professional: Tamara Davis

For further information, please contact:
Wanda Jenkins
General Counsel and Vice Chancellor for Legal, Audit, Risk and Compliance
910.672.1145

FAYETTEVILLE STATE UNIVERSITY

Board of Trustees Meeting Minutes DRAFT

COMMITTEE ON LEGAL, AUDIT, RISK, AND COMPLIANCE

Wednesday, March 25, 2026

11:30 a.m.

The Committee on Legal, Audit, Risk, and Compliance (LARC) of the Fayetteville State University Board of Trustees convened Wednesday, March 25, 2026, in the Rudolph Jones Student Center, Multi-Purpose Room 242, and via Microsoft Teams. Committee Chair Glenn Adams called the meeting to order at 11:30 a.m.

ROLL CALL
The following Trustees were in attendance: Mr. Glenn Adams, Dr. Kimberly Jeffries Leonard, Mr. Jerry Gregory, Mr. John McFadyen, and Dr. Donald Moore.

Staff in attendance were Mrs. Elizabeth Hunt, Mr. Robert Davis, Atty. Benita Powell, Mr. Terrance Robinson, Mr. Joseph Bates, Mr. Jeff Womble, Mr. Damon Williams, and Ms. Chneadra Floyd.

APPROVAL OF MINUTES
It was moved by Trustee John McFadyen and seconded by Trustee Jerry Gregory that the December 10, 2025, minutes be approved as printed. The motion carried.

COMMITTEE UPDATE
Assistant Vice Chancellor for Risk and Compliance Beth Hunt presented the top 5 university risks for recommended approval by the Full Board.

Action Item LARC-1: Top 5 University Risks:
UNC Policy 1300.7-University Enterprise Risk Management and Compliance requires each university to annually collect, analyze and present to the Chancellor and Board of Trustees for approval. This year's major risks include regulatory compliance, mental health and campus safety, talent management, deferred maintenance, and cybersecurity and data security. Each risk was assessed for impact, probability, and urgency, with several rated as immediate institutional priorities.

Trustees Glenn Adams and Kimberly Jeffries Leonard commented on the importance of finance and talent management risks, as well as their thoughts on ranking.

Trustee Kimberly Jeffries Leonard moved to accept the Top 5 University Risks, as presented, and recommend approval to the Full Board. Trustee Donald Moore seconded the motion. The motion carried.

Following, AVC Hunt presented data on discrimination, harassment, and retaliation allegations, prohibited sexual conduct reports, and related investigation outcomes across 2024–2026. The report focused on legal and regulatory compliance, nondiscrimination, harassment, retaliation, prohibited sexual conduct, Title IX, employee-management disputes, and hazing.

AVC Hunt reviewed the University's reporting channels, including the compliance intake form, ethics helpline, Human Resources referrals, Student Conduct referrals, campus appearance tickets, mail, phone, email, the UNC System Office, and the State Auditor. She noted that reports are reviewed within 24 hours. The following complaint totals:

- 2024: 118 reports
- 2025: 138 reports
- 2026 (as of March 13th): 30 reports

Accessible reporting mechanisms continue to be important in supporting accountability across the institution, including the ethics helpline, compliance intake forms, HR processes, and student conduct reporting. The Chancellor emphasized the significant work completed by the Legal, Audit, Risk, and Compliance Office and stated that the reporting system has helped resolve matters internally before they escalate externally. Trustees noted that the numbers reflect a working system and increased trust in the process.

Trustee Al Ragland asked AVC Hunt to clarify who does the investigation, internal or external resources, if the complaint turns into an investigation. AVC Hunt explained that it depends on the level of investigation and the purview (e.g., criminal). The compliance office—she and Ms. Floyd—are trained investigators for the university and follow a standard operating procedure.

AVC Hunt reviewed Title IX and prohibited-sexual-conduct reports. She explained that some reports do not result in formal complaints because complainants may choose not to proceed with the Title IX hearing process. However, supportive measures are offered in each case, including counseling referrals, case management support, class absence notifications, and other resources. One identified trend involves non-FSU respondents in prohibited sexual conduct reports. She stated that the University has focused on student education, particularly regarding dorm safety and risks associated with allowing non-affiliated individuals into residential and intimate spaces.

Trustee Kimberly Jeffries Leonard asked about how we are educating students on prohibited sexual conduct given the data on non-FSU respondent data. AVC Hunt shared some examples in coordination with Student Affairs, especially at the beginning of the semester (e.g., the red zone). AVC Hunt also clarified that the hazing data for 2024 is zero due to data not being collected that year—suggestion to change to not applicable.

Hazing was also discussed. Attorney Hunt explained that under new federal requirements, her office is now responsible for hazing investigations, while Student Conduct remains the

adjudication arm. Trustees recommended that prior years not be listed as "zero" if the office did not previously maintain the data. It was clarified that there had been one hazing matter in 2025 and two in 2024, all unsubstantiated.

AVC Hunt reviewed the estimated time required for compliance matters:

- Dismissed reports: approximately 2.5 hours
- General investigations: at least 8 hours
- Title IX formal complaints: at least 25 hours
- Hazing investigations: approximately 20 hours

The Chancellor emphasized the workload handled by the compliance team, noting the size of the student and employee population compared to the limited number of staff in the office.

The presentation further outlined the University's preventive and educational measures. These include mandatory nondiscrimination and equality training, Title IX programming, safety training, policy revisions, and updated institutional processes. Attorney Hunt reported that in Fall 2025, 1,830 employees, students, and other individuals received targeted training. This figure does not include new student orientation, new employee orientation, or annual mandatory training.

Trustee Kimberly Jeffries Leonard asked about the pregnancy and related conditions Title IX training for athletes and why it was targeted to that group only. AVC Hunt shared that it is specific to NCAA rules and is in addition to the existing Title IX training for all students and employees. AVC Hunt clarified that other related conditions are considered as loss of pregnancy, hypertension, and postpartum depression (e.g., conditions that occur alongside pregnancy).

AVC Hunt also presented the Bronco Strong Initiative: Voices Against Violence, a partnership supported by University Advancement, Student Affairs, and Bronco Wellness. The initiative provides training on preventing sexual violence, active bystander intervention, dating and domestic violence, and human trafficking awareness. Students who complete the training receive a Bronco Strong lapel pin. The Committee discussed incorporating the program into Title IX trainings going forward, including freshmen. The Chair commended the compliance team for its work and noted that compliance in this area is a major institutional risk. The Chair encouraged continued conversations regarding staffing and support.

Lastly, Vice Chancellor Wanda Jenkins introduced the new Director of Internal Audit, Mr. Robert Davis.

ADJOURNMENT
The Committee on LARC adjourned at approximately 12:22 p.m.

Respectfully submitted,

Glenn Adams, Chair
Tamara Davis, Recorder

FAYETTEVILLE STATE UNIVERSITY

Board of Trustees Meeting Minutes DRAFT

COMMITTEE ON LEGAL, AUDIT, RISK, AND COMPLIANCE

Wednesday, June 10, 2026

11:30 a.m.

The Committee on Legal, Audit, Risk, and Compliance (LARC) of the Fayetteville State University Board of Trustees convened Wednesday, June 10, 2026, in the Charles W. Chesnutt Library, Board Room, and via Microsoft Teams. Committee Member Jerry Gregory called the meeting to order at 11:30 a.m.

ROLL CALL
The following Trustees were in attendance: Mr. Jerry Gregory and Dr. Donald Moore.

Staff in attendance were Chancellor Darrell Allison, Atty. Wanda Jenkins, Elizabeth Hunt, Benita Powell, Terrance Robinson, Joseph Bates, Jeffery Womble, Robert Davis, Chneadra Floyd, Tamara Davis, and Damon Williams.

APPROVAL OF MINUTES
Quorum was not met during the committee meeting. The approval of March 25, 2026, minutes are deferred to the September 23, 2026, meeting.

COMMITTEE UPDATE

Internal Audit Update – Robert Davis, Director of Internal Audit
Mr. Robert Davis, Director of Internal Audit, provided a progress update on two reviews per Robert Davis presented an update on activities within the Office of Internal Audit. He reported that the UNC System Office requires two designated reviews annually. The current review of the University's purchasing card program is underway and is expected to be completed during the fall following completion of the State Auditor's report card review. The required annual Board of Trustees compliance sign-off will also be obtained during the fall.

Mr. Davis also reported that Internal Audit is reviewing the University's campus emergency communication alert system. Upon completion, the final report will be provided to the Board of Trustees.

Mr. Davis advised the Board that complaints received through the UNC System hotline have been reviewed and closed, with no active risks or threats identified. He explained that Internal Audit's responsibilities include reviewing allegations involving the use or misuse of university resources. Matters that fall outside the scope of Internal Audit are referred to the appropriate University office for review and resolution.

Mr. Davis further discussed advisory services provided by Internal Audit. University departments may seek guidance and assistance from Internal Audit even when no specific concern or allegation exists. He also described the University's risk-assessment process, which includes discussions with various levels of management to identify and document risks applicable to the institution.

The Internal Audit Office is utilizing a self-assessment maturity model to evaluate its alignment with applicable professional standards. Mr. Davis also reported that the office is actively recruiting staff to fill a vacant auditor position.

Police and Public Safety Update – Damon Williams, Chief of Police
Chief Damon Williams presented his six-month update regarding University Police and Public Safety. Chief Williams emphasized that the department's primary focus remains providing a safe environment in which students can learn and succeed.

Chief Williams discussed several challenges identified upon his arrival, including staffing shortages, technology needs, and training requirements. In response, the department developed a strategic plan designed to address these areas and strengthen overall operations.

The department has made progress in filling vacancies and is developing an internship program in partnership with Fayetteville State University's criminal justice program. The internship initiative is intended to provide students with practical experience and introduce them to career opportunities in law enforcement. The program is expected to begin in the fall.

- *Technology, Training, and De-Escalation Initiatives*
  Chief Williams reported that the department continues to enhance its use of public-safety technology, including surveillance cameras and license plate recognition technology. These resources are intended to strengthen crime prevention, investigations, and overall campus safety.

  Chief Williams also discussed the department's consideration of the hand-held BolaWrap restraint system as a less-than-lethal de-escalation tool. The technology may assist officers in safely containing individuals, including those experiencing mental health crises, while reducing the need for higher levels of force. Implementation is anticipated within the next six to twelve months. Trustee Joyce Adams asked for clarity if the BolaWrap was already being used or is to come. Chief Williams shared that it is to come and in the next budget.

  Training remains a departmental priority. University Police is developing partnerships with other universities and law enforcement organizations to expand training opportunities and strengthen interoperability among officers and agencies.

- *Parking and Problem - Oriented Policing*

Chief Williams discussed ongoing efforts to address campus parking concerns through problem-oriented policing and community engagement. A new parking area near the College of Education is expected to alleviate some parking congestion.

The department also plans to improve campus wayfinding by renaming parking lots according to nearby buildings and enhancing parking signage. These improvements are expected to make parking areas easier for students, employees, and visitors to identify and navigate.

Chief Williams explained that the department has adopted a more problem-oriented and engagement-focused policing philosophy. This model emphasizes identifying the underlying causes of recurring concerns, developing solutions, and strengthening relationships between officers and the campus community.

- C*ommunity Engagement and Department Rebranding*
  Chief Williams emphasized the importance of building trust and positive relationships with students. University Police have expanded their use of social media and other engagement activities to increase communication and interaction with the campus community. Trustee Donald Moore acknowledged the positive attention generated by videos highlighting University Police's community-engagement activities and commented on their impact.

  The department has also established an employee recognition initiative to acknowledge officers who demonstrate high professional standards and exemplify the department's mission and values.

  As part of its broader rebranding initiative, University Police is redesigning its vehicles, uniforms, and badges to better reflect the department's evolving philosophy and identity. Specialty police vehicles are also being considered to recognize and raise awareness of important communities and causes, including military veterans, domestic violence awareness, and autism awareness.

  The updated badge is expected to be incorporated into the department's next uniform cycle.

- *New University Police Facility*
  Chief Williams announced plans to relocate University Police to a renovated approximately 10,000-square-foot facility. The move is expected to occur in July. The new facility will provide additional space to improve operational efficiency and enhance the department's ability to serve the campus community. Plans include a public lobby and a designated processing area where officers can appropriately process individuals before transportation to the city jail, when necessary. The facility's location will also provide improved access to areas of campus, including nearby student housing.

Trustee Jerry Gregory discussed the upcoming relocation of University Police and noted the strategic benefit of the new facility's proximity to student housing. Chief Williams reiterated his commitment to creating a safe and supportive campus environment and expressed his desire to provide current students with the same sense of security and opportunity the University provided to him.

- *Accreditation and Law Enforcement Partnerships*
  Chief Williams reported that University Police will continue pursuing state accreditation as well as national accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA). Ms. Hurst will serve as the department's accreditation manager and will make efforts to ensure compliance with applicable accreditation standards.
  The department will also continue developing partnerships with local and regional law enforcement agencies to promote coordination, interoperability, and a collaborative approach to campus and community safety.

ADJOURNMENT
The Committee on LARC adjourned at approximately 11:58 a.m.

Respectfully submitted,

Glenn Adams, Chair
Tamara Davis, Recorder

FAYETTEVILLE STATE UNIVERSITY

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

September 23, 2026

FAYETTEVILLE STATE UNIVERSITY

INTERNAL AUDIT REPORT: FY27 ACTIVITIES

Robert T. Davis III, JD, CFE

Director of Internal Audit

AGENDA

1. FY27 Audit Reports Summary
2. FY27 Complaints Summary
3. Other FY27 Audit Activities Summary
4. FY27 Risk Assessment Summary
5. FY27 Audit Plan Summary
6. Board Approval of FY27 Risk Assessment and Audit Plan
7. Current IA Activities Summary

INTERNAL AUDIT'S REPORTING

Periodic updates are required to be made to the Board of Trustees regarding internal audit activities.

In accordance with the Committee's Charter and IIA's Global Internal Audit Standards, the Committee is to receive periodic updates to assess Internal Audit's performance relative to the approved annual audit plan.

This is for informational purposes only.

FY26 AUDIT REPORT SUMMARY: PLANNED REVIEW

PLANNED REVIEW | **Strategic Alignment: Priority 3 – Campus Community Vitality**

Published June 30, 2026

Campus Emergency Communication and Alert Systems

This review was identified as an audit oversight requirement within the University of North Carolina System Office.

OBJECTIVE

To determine compliance with the UNC System Regulation on Campus Emergency Communication and Alert Systems (#1300.7.3[R]).

REPORTABLE OBSERVATIONS

#1 Emergency Communication Redundancy Measures Not Fully Implemented

#2 Emergency Communications Training Requirements Not Fully Met

REPORTABLE RECOMMENDATIONS

#1 Finalize its MoU for redundancy measures with the Cumberland County Office of Emergency Services.

#2 Require annual emergency communications training for all designated alert authorities and revise content to include the Clery Act and other required topics.

Follow-Up Required: Yes, an annual review is required by the Regulation.

FY27 AUDIT REPORT SUMMARY: INVESTIGATIVE REVIEW

INVESTIGATIVE REVIEW | **Strategic Alignment: Priority 3 – Campus Community Vitality** | *Published August 27, 2026*

Misuse of Facilities Management Vehicle

IA received an anonymous complaint on July 6, 2026, alleging that the former Facilities Maintenance Supervisor – Building Trades (Former Supervisor) consistently uses a university-issued Facilities vehicle for personal use.

OBJECTIVE

To determine if the allegation had merit and could be substantiated. **IA determined that the allegation was substantiated.**

REPORTABLE OBSERVATION

#1 Inadequate Controls Over Facilities Vehicle Access and Use

REPORTABLE RECOMMENDATION

#1 Facilities Management should strengthen controls over vehicle usage, including State-required mileage logs, annual driver acknowledgments of the Vehicle Usage Procedure, and accurate listings of vehicles and eligible drivers.

Follow-Up Required: Yes, a follow-up on the implementation of corrective action presented by management in response to the review.

FY27 AUDIT REPORT SUMMARY: INVESTIGATIVE REVIEW

INVESTIGATIVE REVIEW

Strategic Alignment: Priority 1 – Support Academic Excellence and Student Success

Published September 8, 2026

Band Scholarships

IA received an employee-submitted complaint on May 1, 2026, alleging that Marching Band Scholarship eligibility requirements drive students into repeated, non-degree-applicable coursework, affecting financial aid eligibility and academic progress.

OBJECTIVE

To determine if the allegation had merit and could be substantiated. **IA determined that the allegation was substantiated.**

REPORTABLE OBSERVATIONS

#1 Limited Scholarship Administration Oversight

#2 Limited Oversight of Repeated Course Enrollments

#3 Unsupported Scholarship Award Disbursements

REPORTABLE RECOMMENDATIONS

#1 Secondary review of rosters; periodic reporting by program administrators.

#2 Monitor credit hours against Federal aid limits; notify as limits approach.

#3 Resolve identified disbursements; verify course participation before payment.

Follow-Up Required: Yes, a follow-up on the implementation of corrective action presented by management in response to the review.

FY27 COMPLAINTS SUMMARY

12

Complaints Received (All Closed)

4

Referred to Human Resources

Employee relations-related complaints were outside of IA's scope.

1

Reviewed by IA

Misuse of state property was within IA's scope. Substantiated and addressed via audit report.

7

Closed with No Action

Six (6) repeats of complaints already referred or resolved by IA. One (1) general request for review with no specific allegation identified.

OTHER AUDIT ACTIVITIES – SUMMARY

FSU Research Corporation — Associated Entity Annual Audit

Conducted the associated entity's FY26 annual audit, as required under UNC System regulations for associated entities with annual expenditures below $250,000. No exceptions or compliance concerns identified.

Police and Public Safety Overtime Timesheet Discrepancy – Advisory Services

Conducted an advisory review of PPS timekeeping and identified inaccurately recorded hours affecting overtime compensation, which has been referred to management for review and correction.

FY26 Self-Assessment Maturity Model (SAMM)

Completed the annual self-assessment required by OSBM, benchmarking the department against IIA Standards. Corrective action plans are in place for areas below target, largely tied to department capacity.

Updates to IA Webpage

Added an Ethics Helpline Alert and online Hotline Intake Form and fraud awareness materials (Fraud Alert and Presentation).

CURRENT IA ACTIVITIES SUMMARY- CONTINUED

Audits and Reviews

- Compliance Review – FY26 University Procurement and Purchasing Card Programs
- Planned Review – Data Governance

Presentations

- Fraud in Higher Education Presentation (CPE Credited) – 2026 UNCAA Annual Conference in Wilmington on October 8–9, 2026.

Staffing

- Currently interviewing applicants for open Auditor position.

FY27 RISK ASSESSMENT & AUDIT PLAN: OVERVIEW

01

REQUIREMENT

IA conducts an annual risk assessment, as required by professional auditing standards, to prioritize audit work toward the University's greatest areas of risk.

02

INPUTS

The assessment draws on institutional risk data, the strategic plan, financial risk, higher education trends, and leadership input.

03

OUTCOME

Results shaped the FY27 Work Plan, focusing audit engagements on the highest and moderate risk areas. Due to limited resources, IA cannot cover every high-level risk identified through the risk assessment.

FY27 RISK ASSESSMENT & AUDIT PLAN: TOP RISKS SUMMARY

RISK	UNIT	RISK SUMMARY
Data Governance	Information Technology Services	The absence of centralized data governance and consistent controls over PII and institutional data systems increases the risk of data breaches, compliance issues, and inaccurate reporting.
Minors on Campus	Risk and Compliance	The lack of a centralized program and standardized controls increases the risk of safety incidents, compliance gaps, and legal liability.
Contracts and Grants	Contracts and Grants	Limited oversight and transparency in grant administration increase the risk of fund misuse, noncompliance, and financial or reputational harm.
Facilities Management	Enterprise Operations	Aging facilities, deferred maintenance, and ongoing construction projects increase the risk of safety issues, rising costs, operational disruptions, and regulatory noncompliance.
Management Oversight	HR / Shared Governance	Weaknesses in management oversight and supervisory practices may reduce accountability, hinder operational effectiveness, and increase compliance and employee relations risks.
Talent Management	Human Resources	Workforce shortages, recruitment and retention challenges, and employee relations concerns increase the risk of operational inefficiencies and hinder the ability to achieve strategic objectives.
Student Conduct	Student Affairs	Increasing student conduct and safety concerns, coupled with inconsistent enforcement of conduct policies, elevate the risk of campus safety incidents and repeat violations.
Regulatory Compliance	Risk and Compliance	Failure to maintain compliance with applicable laws, policies, and regulations increases the risk of financial penalties, operational disruptions, and legal exposure.
Mental Health	Enterprise Risk Management	Growing mental health needs among students and employees increase the risk of strained resources, safety concerns, and reduced retention.
Advancement Operations	University Advancement	Limited documented controls within Advancement operations and reliance on private funding increase the risk of financial loss and compliance issues.

FY27 RISK ASSESSMENT & AUDIT PLAN: PLANNING PROCESS

NCGS § 143-746(b)

Internal Audit Standards – Internal audits shall comply with current Standards for the Professional Practice of Internal Auditing issued by the IIA or, if appropriate, Government Auditing Standards issued by the Comptroller General. Each agency head shall annually certify to the Council that the audit plan was developed, and audit reports were conducted, in accordance with required standards.

IIA Standard 2010.A1

The internal audit activity's plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process.

- Required to submit the plan to the UNC System Office and the NC Council of Internal Auditing.
- Determine the priorities of Internal Audit based on assessment of risks that may affect FSU's ability to accomplish its objectives.
- Coordinate with all compliance and risk units to avoid duplication of effort and ensure key risks are covered.

FY27 RISK ASSESSMENT & AUDIT PLAN: SUMMARY

Two (2)

UNC-System Required Annual Compliance Reviews

- University Procurement and Purchasing Card Program
- Campus Emergency Communication and Alert Systems

Three (3)

Reviews Added Based on FY27 Risk Assessment Scoring

- Grants and Contracts (High Scoring Risk Area)
- Facilities Management (High Scoring Risk Area)
- Data Governance (IT reviewed at least once every three fiscal years)

Budgeted Hours

For Unplanned Investigations and Advisory Services

Together, these five engagements plus budgeted advisory hours make up the FY27 Audit Plan — see the full hours breakdown on the following page.

FY27 RISK ASSESSMENT & AUDIT PLAN: AUDIT PLAN

PROJECT DESCRIPTION	HOURS	% OF TOTAL	RISK
Integrated / Internal Controls / Operational / Performance Audits	**240**	**11.5%**	
Grants and Contracts	240	11.5%	High
Facilities Management	240	11.5%	High
Compliance Audits	**400**	**19.2%**	
University Procurement and Purchasing Card Programs	200	9.6%	High
Campus Emergency Communication and Alert Systems	200	9.6%	Med
Information Technology Audits	**240**	**11.5%**	
Data Governance	240	11.5%	High
Investigative Reviews	**400**	**19.2%**	
Unplanned Investigations	400	19.2%	
Follow-Up Reviews	**40**	**1.9%**	
Follow-ups as Deemed Necessary	40	1.9%	
Consultations / Management Advisory Services	**128**	**6.2%**	
Unplanned Consultations / Advisory Services	104	5.0%	
External Audit Assistance	24	1.2%	
Other / Special Projects	**176**	**8.5%**	
Quality Assurance and Improvement Program	100	4.8%	
Annual Risk Assessment and Audit Plan Development	40	1.9%	
External Reporting Requirements (UNC System, CIA, OSBM)	20	1.0%	
Internal Control Questionnaire	16	0.8%	
Total Direct / Chargeable Hours	**1,624**	**78.1%**	
Administration	160	7.7%	
Leave / Holiday	256	12.3%	
Professional Development	40	1.9%	
Total Indirect Hours	**456**	**21.9%**	
Grand Total Hours	**2,080**	**100.0%**	

ACTION ITEM: RISK ASSESSMENT AND AUDIT PLAN APPROVAL

Background:

The NC Internal Auditing Act requires State agencies to establish an internal auditing program that complies with the Institute of Internal Auditor's Standards. One of the standards requires that internal audit annually develop a plan that is based on a documented risk assessment.

The 2026-27 risk assessment and internal audit plan is being presented for approval by the Legal, Audit, Risk and Compliance Committee and the full Board of Trustees. Once approved, the Internal Audit Work Plan will be submitted to the UNC System and NC Council of Internal Auditing.

Action:

The Board of Trustees is responsible for reviewing and approving the annual Internal Audit Work Plan.

Motion:

Move that the University's 2026-27 Internal Audit Risk Assessment and Fiscal Year 2026-27 Internal Audit Work Plan be approved.

FAYETTEVILLE STATE UNIVERSITY

QUESTIONS

THE OFFICE OF ENVIRONMENTAL HEALTH & SAFETY

J. Daniel Core
Director of EHS

WHAT IS ENVIRONMENTAL HEALTH & SAFETY?

Occupational Safety

Policies, risk assessment, training, and hazard controls across all campus operations.

Environmental Compliance

Waste management, hazardous materials, air and water protection under state and federal law.

Risk Management

Emergency planning and response for fires, spills, severe weather, and medical events.

Hazardous Materials Oversight

Safe handling, storage, and disposal of hazardous materials campus-wide.

REGULATORY OVERSIGHT

Occupational Safety and Health Administration & NC Department of Labor	Workplace safety & Hazard Communication
Environmental Protection Agency	Hazardous waste & environmental release
National Fire Protection Association	Fire, life safety & building codes
Nuclear Regulatory Commission	Radioactive materials & licensing
Department of Transportation	Hazardous materials transport & manifesting
NC Department of Environmental Quality	State environmental enforcement

WHAT NON-COMPLIANCE ACTUALLY COSTS

Regulatory exposure is rarely a single fine. It compounds across the institution.

Financial Penalties

OSHA and EPA citations carry per-violation, per-day penalties — and repeat findings escalate sharply.

Operational Shutdown

Regulators can halt laboratory or facility operations until deficiencies are corrected, disrupting instruction mid-semester.

Research Funding Risk

Federal sponsors require demonstrated compliance. Findings can jeopardize current awards and future eligibility.

Liability & Reputation

A serious injury or environmental release brings litigation, insurance consequences, and lasting public scrutiny.

HOW WE PROTECT PEOPLE

Most Effective

Least Effective

Design & Elimination
EHS reviews new construction and renovation before ground is broken

Engineering Controls
Ventilation, containment, fire suppression, and physical safeguards

Administrative Controls
Written procedures, stop-work authority, inspections, and training

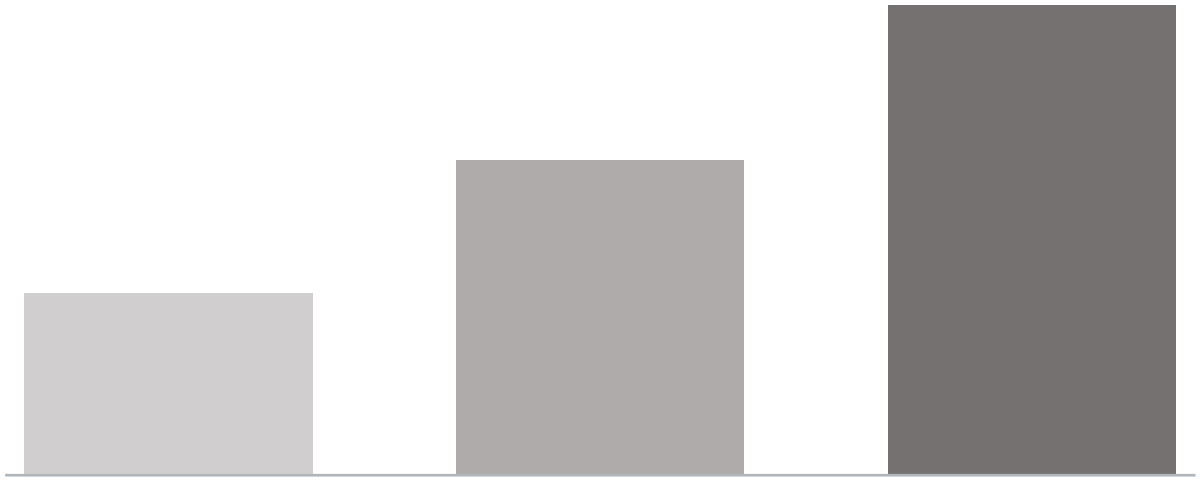
Personal Protective Equipment
The last line of defense, never the first

STRATEGIC PRIORITIES 1

Safety by Design

HOW SAFETY SAVES THE UNIVERSITY MONEY

The cost of correcting a hazard rises sharply the later it is found. Design-stage review is the cheapest safety dollar the university spends.



Design
Low cost, full flexibility

Construction
Moderate cost, limited options

Occupancy
Highest cost, active disruption

333

days away from work in a single reporting year

Every prevented injury is salary, coverage, and productivity retained.

STRATEGIC PRIORITIES 2

Reduction of Workplace incidents & litigation

2025 LAB SAFETY AUDIT

Education occurs at the intersection of safety and risk.

A FULL AUDIT OF 43 LABORATORIES

In 2025 we completed the first comprehensive laboratory safety review in recent institutional history. The findings confirmed why sustained oversight is not optional.

- Chemical inventories accumulated well beyond current instructional or research need
- Incompatible materials stored together without proper separation or containment
- Safety Data Sheets outdated or missing at the point of use
- Hazardous procedures operating without written standard operating procedures
- Training gaps among faculty, staff, and student researchers

REMEDIATED FINDINGS — BUILT TO LAST

43
Laboratories fully remediated

100%
SDS records rebuilt to current standards

1
Chemical Hygiene Officer role created

The controls implemented that keep it from happening again.

- Procurement Review
- Live Digital Inventory
- Scheduled Inspection Cycle

STRATEGIC PRIORITIES 2

Compliant Labs & Risk Reduction

BUILDING TOWARD RESEARCH

Safety infrastructure is what makes ambitious, funded research possible.

PROGRAMS BUILT TO UNLOCK NEW RESEARCH

Certain categories of research cannot legally proceed without a formal safety program and a credentialed officer in place. We built both.

Radiation Safety Program

Designated Radiation Safety Officer, full radioactive material inventory and licensing, personnel dosimetry, and laboratory authorization — meeting NRC and state requirements.

Unlocks: isotope-based research and radiation-producing instrumentation

Laser Safety Program

Designated Laser Safety Officer, campus laser inventory classified to ANSI Z136, required procedures and controls for every Class 3B and Class 4 operation.

Unlocks: photonics, materials, and advanced optics research

SAFETY ACROSS THE RESEARCH LIFECYCLE

Proposal & Award → **Protocol Safety Review** → **Procurement Screening** → **Active Research Oversight**

Faculty partnership, not gatekeeping

Investigators have a direct path to EHS when protocols change, so research can expand without expanding risk.

Documented compliance for sponsors

Training records, inventories, and inspections are captured in a system that withstands external audit.

Protecting eligibility

Demonstrated safety capacity keeps FSU competitive for the awards our faculty are pursuing.

WHERE WE GO FROM HERE

Continued Collaboration with Legal, Sponsored Research, & CHST

Campus-wide Emergency Action Plan rollout with live drills

First complete cycle of the Contractor Safety Program

Compliance metrics reported directly to university leadership

STRATEGIC PRIORITIES 3

Enterprise Risk Management

QUESTIONS

FAYETTEVILLE STATE UNIVERSITY

Board of Trustees

Agenda Item LARC-1

Executive Summary

MEETING DATE: September 23, 2026

SUBJECT Approval of 2026-27 Internal Audit Work Plan

BACKGROUND: The NC Internal Auditing Act requires State agencies to establish an internal auditing program that complies with the Institute of Internal Auditor's Standards. One of the standards requires that internal audit annually develop a plan that is based on a documented risk assessment.

The 2026-27 risk assessment and internal audit plan is being presented for approval by the Legal, Audit, Risk and Compliance Committee and the full Board of Trustees. Once approved, the Internal Audit Work Plan will be submitted to the UNC System and NC Council of Internal Auditing.

ACTION: The Board of Trustees is responsible for reviewing and approving the annual Internal Audit Work Plan.

MOTION: Move that the University's 2026-27 Internal Audit Risk Assessment and Fiscal Year 2026-27 Internal Audit Work Plan be approved.

Supporting Document(s) Included: 2026-27 Internal Audit Work Plan

Reviewed by: Wanda L. Jenkins
General Counsel and VC for Legal, Audit, Risk and Compliance

Date: 9/12/2026

Project Description	Budgeted Hours	% of Total	Risk
Integrated/Internal Controls/Operational/Performance Audits:			
Grants and Contracts	240	11.5%	High
Facilities Management	240	11.5%	High
	240	**11.5%**	
Compliance Audits:			
University Procurement and Purchasing Card Programs	200	9.6%	High
Campus Emergency Communication and Alert Systems	200	9.6%	Med
	400	**19.2%**	
Information Technology Audits:			
Data Governance	240	11.5%	High
	240	**11.5%**	
Investigative Reviews:			
Unplanned Investigations	400	19.2%	
	400	**19.2%**	
Follow-Up Reviews:			
Follow-ups as Deemed Necessary	40	1.9%	
	40	**1.9%**	
Consultations/Management Advisory Services			
Unplanned Consultations / Advisory Services	104	5.0%	
External Audit Assistance	24	1.2%	
	128	**6.2%**	
Other/Special Projects:			
Quality Assurance and Improvement Program	100	4.8%	
Annual Risk Assessment and Audit Plan Development	40	1.9%	
External Reporting Requirements (UNC System Office, CIA, OSBM)	20	1.0%	
Internal Control Questionnaire	16	0.8%	
	176	**8.5%**	
Total Direct/Chargeable Hours	**1624**	**78.1%**	
Indirect Hours:			
Administration	160	7.7%	
Leave/Holiday	256	12.3%	
Professional Development	40	1.9%	
Total Indirect Hours:	**456**	**21.9%**	
Grand Total Hours	**2080**	**100.0%**	