

# Business Affairs and Audit Committee

December 2025



Radford  
UNIVERSITY



**Business Affairs and Audit Committee**

**10:30 a.m.\*\***

**December 4, 2025**

**Kyle Hall, Room 340, Radford, VA**

**DRAFT**

**Agenda**

- **Call to Order** Ms. Jeanne S. Armentrout, *Chair*
- **Approval of Agenda** Ms. Jeanne S. Armentrout, *Chair*
- **Approval of Minutes** Ms. Jeanne S. Armentrout, *Chair*
  - September 11, 2025
- **Audit and Advisory Services**
  - University Auditor's Report Ms. Margaret McManus, *University Auditor*
- **Finance and Administration**
  - Reports Dr. Rob Hoover, *Vice President for Finance & Administration and Chief Financial Officer*
    - Financial Overview
    - Internal Budget Process
    - Fiscal Year 27 Priorities
  - Retirement Committee Update Barry Schmitt, *Principle/Financial Advisor – CapTrust*
  - Action Item: Discrimination and Harassment Policy Revision Andrea Zuschin, *Director for Compliance and Title IX Coordinator*
- **Other Business** Ms. Jeanne S. Armentrout, *Chair*
- **Adjournment** Ms. Jeanne S. Armentrout, *Chair*

**\*\* All start times for committees are approximate only. Meetings may begin either before or after the listed approximate start time as committee members are ready to proceed.**

**COMMITTEE MEMBERS**

Ms. Jeanne S. Armentrout, *Chair*

Ms. Joann S. Craig, *Vice Chair*

Dr. Betty Jo Foster

Mr. George Mendiola, Jr.

Mr. Jonathan D. Sweet

Mr. James C. Turk

# Meeting Materials



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# **RADFORD UNIVERSITY – OFFICE OF AUDIT & ADVISORY SERVICES**

## **Change and Petty Cash Funds - Cash Counts**

**REVIEW PERIOD: Fiscal Year 2025**

### **BACKGROUND**

The University establishes change funds for cash collection areas who may need to make change for their customers. Change fund amounts, which must be initially approved by the University Controller, remain the same from year to year unless the fund custodian requests an increase or decrease. During fiscal year 2025, the University had ten change funds, totaling approximately \$6,275.

Additionally, the University may approve for petty cash funds to be issued when there is a need to disburse funds where alternative means are not feasible. Examples of the uses for these funds include paying incentives to individuals for participating in research projects and issuing refunds to individuals who have lost money in campus vending machines. During fiscal year 2025, the University had three petty cash funds, totaling approximately \$3,000.

### **SCOPE AND OBJECTIVES**

The scope of the audit was nine change funds and one petty cash fund, totaling \$8,675. The change funds were composed of all funds \$500 and higher, any new change funds issued during the fiscal year, and at least 50% of remaining change funds under \$500, so that all funds under \$500 are counted in a two-year cycle. The petty cash funds were composed of all such funds closed during the fiscal year.

The objectives of the audit were to validate that the funds are properly managed and accounted for in compliance with the University's policies and procedures and to promote awareness of those policies and procedures.

In accomplishing these objectives, our procedures included conducting the cash counts on a surprise basis, examining related records on hand, reconciling the funds to the general ledger, and providing fund custodians with information on relevant policies and procedures.

### **CONCLUSION**

Based on the counts conducted, the internal control structure appeared adequate to provide reasonable assurance that the objectives noted above are being met. However, we identified the following business issues.

### **BUSINESS ISSUES**

The following issues were identified in this audit. Page 2 contains information on planned actions and action completion dates and, accordingly, that page is an integral part of this report.

1. Improvements are needed in the funds handling process in the Auxiliary Services area.
2. Improvements are needed in the funds handling and deposit process in the Department of Theatre and Cinema.

# RADFORD UNIVERSITY – OFFICE OF AUDIT & ADVISORY SERVICES

## Change and Petty Cash Funds - Cash Counts

**REVIEW PERIOD: Fiscal Year 2025**

| BUSINESS ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | PLANNED ACTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | COMPLETION DATE                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| <p>1. Improvements are needed in the funds handling process in the Auxiliary Services area. Based on a 4/14/25 surprise visit:</p> <p>1.1 We were unable to determine whether the amount of funds on hand was accurate. Although there were sufficient funds to cover the amount of the change fund and the revenue collected per manual logs, reports from the systems of record were not made available to allow verification of revenue.</p> <p>1.2 Although the department has documented funds handling procedures, it appears that the procedures aren't being followed. For example, we noted inaccurate manual logs, report generation, cash drawer balancing, batch verification, and Banner entry were not performed timely, and reconciliations were not performed timely.</p>                                      | <p>1.1 Auxiliary Services will implement a process to ensure that reports from all systems of record are available upon request to allow real-time verification of revenue. Procedures will be updated to reference specific report names, and copies of the required reports will be attached to the corresponding daily cashiering session batch allowing real-time verification of revenue collected.</p> <p>1.2 Auxiliary Services will review and update departmental procedures and then schedule training sessions for all staff and supervisors to review the required processes and procedures. Auxiliary Services will also establish a monthly schedule of batch spot checks by designated personnel to ensure that proper procedures are being followed.</p> | <p>October 30, 2025</p> <p>October 30, 2025</p>                           |
| <p>2. Improvements are needed in the funds handling and deposit process in the Department of Theatre and Cinema (Department). Based on a 4/30/25 surprise visit:</p> <p>2.1 Deposits for Box Office collections from 4/24-4/26/25 had not been made. The University's Funds Handling Policy requires collections to be deposited no later than the next business day; however, these deposits ranged from four to five days late.</p> <p>2.2 Reconciliations were not being performed to reconcile revenue to collections to deposits. The University's Funds Handling Policy requires such reconciliations to ensure completeness and accuracy of deposits.</p> <p>2.3 Although the department has documented procedures for these processes, it appears that the procedures are not current nor are they being followed.</p> | <p>2.1 The Department will implement processes to ensure that deposits are made timely, in accordance with the University's Funds Handling Policy.</p> <p>2.2 The Department will implement processes to ensure that revenue reconciliations are performed, documented, and retained in accordance with the University's Funds Handling Policy.</p> <p>2.3 The Department will review their documented procedures, make any necessary changes, and provide training on them to all people involved in the handling of funds, deposits, and reconciliations.</p>                                                                                                                                                                                                          | <p>December 15, 2025</p> <p>December 15, 2025</p> <p>February 2, 2026</p> |

# **RADFORD UNIVERSITY – OFFICE OF AUDIT & ADVISORY SERVICES**

## **Payroll Reviews**

**REVIEW PERIOD: Fiscal Year 2025**

### **BACKGROUND**

Radford University uses the Banner system to process payroll. To ensure the successful processing of the University's payroll, employees in the Payroll and in the Human Resources departments have access to update pay records in Banner, which could include their own pay records. In discussions with management, it was determined that, in addition to the regular monitoring performed by Payroll, it would be helpful for the Office of Audit & Advisory Services to perform payroll reviews.

### **SCOPE AND OBJECTIVES**

The scope was limited to full-time employees in the Payroll and in the Human Resources departments who have access to update pay records in Banner or to direct that such updates be made. The review period was fiscal year 2025. The objective was to determine whether variations in gross pay for those employees were adequately supported by documentation.

In accomplishing the objective, our procedures included reviewing gross pay changes for 20 employees over 24 pay periods (100% of the pay periods for the fiscal year).

### **CONCLUSION**

Based upon this work, we concluded that all variations in gross pay appeared to be adequately supported.

### **BUSINESS ISSUES**

No business issues were identified.



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Audit: Sponsored Programs and Grants Management |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                 |                                                    |            |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------|
| Business Issue                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Planned Action                                                                                                  | Completion Date                                    | Status     |
| 1.2                                             | <p>The University lacks a policy(ies) to define institutional base salary (IBS) and supplemental/extra-service pay. Such policy(ies) are required by the Uniform Guidance. Not having the required policy(ies) could result in unallowable compensation costs charged to Federal grants.</p> <p>One employee's supplemental pay amount was required to be revised after the original amount had been fully approved. The revision was required because the approved supplemental pay amount would violate a Federal requirement that the employee's total supplemental pay could not exceed the allowable percentage of the employee's normal salary. However, lack of University documentation outlining this requirement has led to confusion.</p> | 1.2.1 The Supplemental Pay Policy (HR-PO-1408) has been finalized. The policy will be communicated campus-wide. | October 15, 2025<br>Revised to<br>January 15, 2026 | In Process |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Audit: IT-Titanium-CAPS |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                             |                                                    |            |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------|
| Business Issue          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Planned Action                                                                                                                                                                                                                                                                                                                              | Completion Date                                    | Status     |
| 1.1                     | Review of the December 2024 SSP indicated that the document contained outdated and/or incorrect information. The SSP, which is required by the Radford University Information Technology Security Standard (Standard), documents the security controls required to demonstrate adequate protection of information systems against security risks. Having an outdated SSP could result in an ineffective or untimely response to a security event.                                                                                                                                                                                                                                                                | 1.1 Information Technology Services (ITS) will collaborate with the System Owner to ensure that the SSP is updated. Once the SSP is updated, it will be submitted to the Chief Information Security Officer for review and approval, in accordance with the Standard.                                                                       | August 15, 2025                                    | Complete   |
| 3.0                     | Improvements are needed in database account management. This application is configured so that users can access data through the application, and direct access to the database is not needed. To limit risk to data, direct access to the database should only be granted to database administrators. A review of Active Directory global groups (AD groups) and accounts associated with the CAPS database found four AD groups, which appear to be old, that have no description or indication of their functionality. The AD groups had varying states of being active/inactive and with enabled/disabled connections to the database, situations which could potentially give users direct database access. | 3.0 ITS will review, evaluate, and document whether each of the AD groups identified is still needed. If any are not needed, the AD groups will be removed. If any AD groups are needed, the accounts within the groups will be reviewed and modified per business need, and the purpose/functionality of the AD groups will be documented. | October 17, 2025<br>Revised to<br>January 17, 2025 | In Process |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Audit: IT-Titanium-SCS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                             |                                                    |            |
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| Business Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Planned Action                                                                                                                                                                                                                                                                                                              | Completion Date                                    | Status     |
| 1.1 Review of the December 2024 SSP indicated that the document contained outdated and/or incorrect information. The SSP, which is required by the Radford University Information Technology Security Standard (Standard), documents the security controls required to demonstrate adequate protection of information systems against security risks. Having an outdated SSP could result in an ineffective or untimely response to a security event.                                                                                                                                                                                                                                                                                                                            | 1.1 Information Technology Services (ITS) will collaborate with the System Owner to ensure that the SSP is updated. Once the SSP is updated, it will be submitted to the Chief Information Security Officer for review and approval, in accordance with the Standard.                                                       | August 15, 2025                                    | Complete   |
| 3.0 Improvements are needed in database account management. This application is configured so that users can access data through the application, and direct access to the database is not needed. To limit risk to data, direct access to the database should only be granted to database administrators. A review of Active Directory global groups (AD groups) and accounts associated with the SCS database found one AD group, which appears to be old, that has no description or indication of its functionality. The AD group is active and has both named and unnamed accounts. The connection to the database is currently disabled, but if the connection should be inadvertently enabled, the users in that AD group could potentially access the database directly. | 3.0 ITS will review, evaluate, and document whether the AD group identified is still needed. If it is not needed, the AD group will be removed. If the AD group is needed, the accounts within the group will be reviewed and modified per business need, and the purpose/functionality of the AD group will be documented. | October 17, 2025<br>Revised to<br>January 17, 2025 | In Process |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Audit: APA Student Financial Assistance Programs Cluster 06/30/2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                       |                                                                                |          |
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| Business Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Planned Action                                                                                                                                                                                                                        | Completion Date                                                                | Status   |
| <p>2.0 Radford University (Radford) personnel did not report accurate and timely enrollment data to NSLDS for students that had graduated, withdrawn, or had an enrollment level change. The discrepancies noted were primarily attributable to a staffing transition and the time required to become proficient in their responsibilities. From our review of 43 students, we noted the following instances of noncompliance:</p> <ul style="list-style-type: none"> <li>• The enrollment status was inaccurate for one student (2%);</li> <li>• The effective date was inaccurate for three students (7%);</li> <li>• Radford did not report enrollment status changes timely for 10 students (23%);</li> <li>• At least one campus or program level field deemed critical was inaccurate for three students (7%);</li> <li>• For one student (2%), approval for one student could not be verified since the student had no record in NSLDS.</li> </ul> <p>In accordance with 34 CFR § 690.83(b)(2) an institution shall submit, in accordance with deadline dates established by the Secretary, other reports and information the Secretary requires and shall comply with the procedures the Secretary finds necessary to ensure the reports are correct. As further outlined in the NSLDS Enrollment Guide, published by the Federal Department of Education (ED), at a minimum, institutions are required to certify enrollment every 60 days. The accuracy of Title IV enrollment data depends heavily on information reported by institutions. Radford's inaccurate and untimely enrollment data submissions to the NSLDS can affect ED's reliance on the system for monitoring purposes. Noncompliance may also impact an institution's participation in Title IV programs.</p> <p><i>OAAS Note: The instances of noncompliance noted above represented 11 unique students.</i></p> | 2.3 The Registrar's Office will develop thorough, complete, and well-documented NSC reporting documentation and then save it to their Whale so the use of the documentation can be incorporated into all NSC reporting. (10 students) | April 15, 2025<br>Revised to<br>October 30, 2025                               | Complete |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2.4 The Registrar's Office will complete catching up on the Fast Track enrollment reporting backlog. (2 students)                                                                                                                     | May 8, 2025<br>Revised to<br>August 15, 2025<br>Revised to<br>October 30, 2025 | Complete |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Report: IT - Cloud-Hosted Applications - Account Management - Applicant Insight                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                     |                  |                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------|
| Business Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Planned Action                                                                                                                                                                                                                                                                                                                                      | Completion Date  | Status                  |
| 1.0 The IT Security Standard (Standard) requires that accounts be locked, or passwords be expired if an account is not used for 180 days. We were unable to determine, through inquiry of Human Resources (HR) or the vendor, whether system configurations are in place to comply with the Standard. The vendor advised that this configuration would have been set up by the University upon implementation. We also noted that there is not a periodic inactivity review performed, which could help mitigate the risk if the system does not have the configuration. | 1.0 The System Owner, in collaboration with IT Security, will contact the vendor to determine whether the system is configured to automatically lock accounts or expire passwords after 180 days of inactivity and, if not, request that this feature be enabled.                                                                                   | October 17, 2025 | Follow-up is in process |
| 2.0 Password management practices need improvement. Details of this issue were communicated to management in a separate document marked Freedom of Information Act exempt under §2.2-3705.2(2) of the Code of Virginia due to it containing descriptions of security mechanisms.                                                                                                                                                                                                                                                                                         | 2.0 Management provided a planned action under the same public disclosure exemption as noted in the business issue.                                                                                                                                                                                                                                 | October 17, 2025 | Follow-up is in process |
| 3.1 Although access to the system is approved before being granted, approval is not always documented, and/or documentation is not always retained.                                                                                                                                                                                                                                                                                                                                                                                                                      | 3.1 The System Owner will implement and document a standardized process for system access approval. An access request form will record the names of the requestor and approver as well as the dates of request and approval. Access will only be granted upon receipt of the documented approval, and all access approval records will be retained. | October 17, 2025 | Complete                |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Report: IT - Cloud-Hosted Applications - Account Management - Applicant Insight (continued)                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                               |                  |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------|
| Business Issue                                                                                                                                                                                                                                                                                                                       | Planned Action                                                                                                                                                                                                                                                                                                                                                                                | Completion Date  | Status   |
| 3.2 When a user's access needs to be removed, Human Resources requests that the vendor remove that user from the system. However, confirmation that the user has been removed is not obtained and/or documented. We noted one user who separated employment, and over a week later, there was no confirmation of the access removal. | 3.2 HR will implement a formal process for access termination requests. HR will submit a documented access removal request immediately upon an employee's departure or role change. The System Owner will then confirm access removal with the vendor and retain written confirmation, which must include the date access was revoked. A log of all removal confirmations will be maintained. | October 17, 2025 | Complete |
| 3.3 Although user accounts are occasionally reviewed to determine if access is still needed and the level of access is still appropriate, an annual review is not documented as required by the Standard.                                                                                                                            | 3.3 HR will develop a procedure requiring the System Owner to conduct and document an annual access review to verify that access remains appropriate. This review will include verifying role appropriateness for all active users and the date completed. Records of the review will be retained.                                                                                            | October 17, 2025 | Complete |
| 3.4 There are no documented procedures that address approving, granting, modifying, removing, or reviewing access.                                                                                                                                                                                                                   | 3.4 HR will develop written departmental procedures to address requesting, approving, granting, modifying, and removing user access, along with obtaining vendor confirmation of access removal.                                                                                                                                                                                              | October 17, 2025 | Complete |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Report: IT - Cloud-Hosted Applications - Account Management - Applicant Insight (continued)                                                                            |                                                                                                                                                                                                                                                                                                                                                                |                  |          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------|
| Business Issue                                                                                                                                                         | Planned Action                                                                                                                                                                                                                                                                                                                                                 | Completion Date  | Status   |
| 3.5 Although it is not documented, it appears that only one person can request adding or removing users from the system, creating a potential single point of failure. | 3.5 HR will document the individuals authorized to request user account additions, modifications, and removals. This list of authorized requestors will be shared with the vendor. A designated backup will also be identified and trained to perform these functions. Both the primary and backup contacts will be documented in the departmental procedures. | October 17, 2025 | Complete |

| Report: IT - Cloud-Hosted Applications - Account Management - I-9 HQ                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                             |                  |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------|
| Business Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Planned Action                                                                                                                                                                                                                                                                                                                                                                              | Completion Date  | Status   |
| 1.1 The Standard requires user access to be granted based on the principle of least privilege. However, our testing found access that was not in accordance with that principle. Out of 19 users who can access the system, 14 (74%) have "I-9 HR Admin" access to manage business processes and organization settings, including the ability to add, modify, or remove users. Only one of those users has been authorized to perform those functions, which should be limited to Application Administrators. Allowing users to have access to data, functions, or capabilities beyond what is necessary for their roles can increase security risks. This may result in users accidentally or intentionally using their privileges in ways that could add unauthorized accounts to the system, remove users from the system, cause disruptions, lead to data breaches, and create other security vulnerabilities. | 1.1 Human Resources (HR) will conduct a review of all user roles and access levels in the system, working with the vendor to fully understand the capabilities of each access level. Based on this review, HR will revise user roles to ensure they align with the principle of least privilege—granting only the minimum access necessary for users to perform their job responsibilities. | October 17, 2025 | Complete |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Report: IT - Cloud-Hosted Applications - Account Management - I-9 HQ (continued) |                                                                                                                                                                                                                                                                                                                                                                                                   |                |                                                                                                                                                                                                                                                                                                                                      |                  |          |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------|
| Business Issue                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                   | Planned Action |                                                                                                                                                                                                                                                                                                                                      | Completion Date  | Status   |
| 1.2                                                                              | A lack of separation of duties was identified due to the one user who has been authorized to add, modify, and remove access also being the Data Owner for the system. The Standard prohibits a Data Owner from performing these functions, which are duties of an Application Administrator, to prevent conflicts of interest. The system does not have an assigned Application Administrator(s). | 1.2            | The System Owner will identify and designate individuals for the roles of Data Owner and Application Administrator, ensuring they are held by different individuals. Once designated, these roles will be communicated to the Chief Information Security Officer, and any required role-based training will be arranged accordingly. | October 17, 2025 | Complete |
| 2.1                                                                              | The Standard requires that accounts be locked, or passwords be expired if an account is not used for 180 days. We were unable to determine whether system configurations are in place to comply with the Standard. We also noted that there is not a periodic inactivity review performed, which could help mitigate the risk if the system does not have the configuration.                      | 2.1            | The Data Owner and System Owner will work with the vendor to determine whether a configuration exists to automatically lock accounts or expire passwords after 180 days of inactivity and, if it exists, request that it be enabled.                                                                                                 | October 17, 2025 | Complete |
| 2.2                                                                              | The Standard also requires that unneeded accounts be disabled. At the time of the audit there were six accounts which appeared to have not been claimed (they were in a “created” or “invitation sent” status). There was no data to support how long the accounts had been unclaimed.                                                                                                            | 2.2            | The Data Owner will document and implement procedures to conduct an annual review of all unclaimed or inactive accounts.                                                                                                                                                                                                             | October 17, 2025 | Complete |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| <b>Report: IT - Cloud-Hosted Applications - Account Management - I-9 HQ (continued)</b>                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                   |                                                     |            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------|
| Business Issue                                                                                                                                                                                                                                                                                | Planned Action                                                                                                                                                                                                                                                    | Completion Date                                     | Status     |
| 3.0 The delivery of access credentials needs improvement.<br><br>Details of this issue were communicated to management in a separate document marked Freedom of Information Act exempt under §2.2-3705.2(2) of the Code of Virginia due to it containing descriptions of security mechanisms. | 3.1 Management provided a planned action under the same public disclosure exemption as noted in the business issue.                                                                                                                                               | October 17, 2025<br>Revised to<br>February 20, 2026 | In Process |
|                                                                                                                                                                                                                                                                                               | 3.2 Management provided a planned action under the same public disclosure exemption as noted in the business issue.                                                                                                                                               |                                                     |            |
| 4.1 Although access to the system is approved before being granted, approval is not always documented, and/or documentation is not always retained.                                                                                                                                           | 4.1 HR will establish a consistent and formal process for documenting system access approvals. This process will include maintaining records that clearly show the date of approval and the date access was granted.                                              | October 17, 2025                                    | Complete   |
| 4.2 Although user accounts are occasionally reviewed to determine if access is still needed and the level of access is still appropriate, an annual review is not documented as required by the Standard.                                                                                     | 4.2.1 Formal procedures for performing an annual user account review will be implemented.                                                                                                                                                                         | October 17, 2025                                    | Complete   |
| 4.3 There are no documented procedures that address approving, granting, modifying, removing, or reviewing access.                                                                                                                                                                            | 4.3 Desktop procedures outlining the process for approving, granting, modifying, and removing user access will be developed. These procedures will also detail how access changes are communicated to the vendor, and how confirmations are obtained and tracked. | October 17, 2025                                    | Complete   |



**FOLLOW-UP AUDIT STATUS REPORT  
BUSINESS AFFAIRS AND AUDIT COMMITTEE  
DECEMBER 2025**

| Audit: FY 2025 Cash Counts |                                                                                                                                                                                                                                                                                                                                |                |                                                                                                                                                                                                                                                                                                                                                                                                   |                  |          |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------|
| Business Issue             |                                                                                                                                                                                                                                                                                                                                | Planned Action |                                                                                                                                                                                                                                                                                                                                                                                                   | Completion Date  | Status   |
| 1.0                        | Improvements are needed in the funds handling process in the Auxiliary Services area. Based on a 4/14/25 surprise visit:                                                                                                                                                                                                       | 1.1            | Auxiliary Services will implement a process to ensure that reports from all systems of record are available upon request to allow real-time verification of revenue. Procedures will be updated to reference specific report names, and copies of the required reports will be attached to the corresponding daily cashiering session batch allowing real-time verification of revenue collected. | October 30, 2025 | Complete |
| 1.1                        | We were unable to determine whether the amount of funds on hand was accurate. Although there were sufficient funds to cover the amount of the change fund and the revenue collected per manual logs, reports from the systems of record were not made available to allow verification of revenue.                              |                |                                                                                                                                                                                                                                                                                                                                                                                                   |                  |          |
| 1.0                        | Improvements are needed in the funds handling process in the Auxiliary Services area. Based on a 4/14/25 surprise visit:                                                                                                                                                                                                       | 1.2            | Auxiliary Services will review and update departmental procedures and then schedule training sessions for all staff and supervisors to review the required processes and procedures. Auxiliary Services will also establish a monthly schedule of batch spot checks by designated personnel to ensure that proper procedures are being followed.                                                  | October 30, 2025 | Complete |
| 1.2                        | Although the department has documented funds handling procedures, it appears that the procedures aren't being followed. For example, we noted inaccurate manual logs, report generation, cash drawer balancing, batch verification, and Banner entry were not performed timely, and reconciliations were not performed timely. |                |                                                                                                                                                                                                                                                                                                                                                                                                   |                  |          |



## INTERNAL AUDIT STRATEGY

### OUR MISSION

To assist the Board of Visitors, the President, and senior management in strengthening and protecting the University so that it can achieve its mission to Empower Brighter Futures and Build Stronger Communities.

### OUR VISION

As strategic partners with management, we are recognized as knowledgeable, collaborative, and trusted leaders who provide independent assurance, advice, and foresight.

### OUR STRATEGIC THEMES

**1. Collaboration and Engagement:** We collaborate, engage, and educate our customers, advocating for a strong and sustainable internal control environment.

**1.1 Proactively engage with University stakeholders to understand their needs and priorities.**

#### STRATEGIES

- Conduct outreach to new administrators to introduce internal audit and establish a collaborative relationship.

**1.2 Collaborate with University stakeholders to improve technologies and processes.**

#### STRATEGIES

- Provide assurance and advisory services, actively seeking opportunities to enhance clarity and to identify unnecessary complexity in University processes.
- Maintain an agile and responsive audit plan to allow pivoting to University projects with an immediate need.

**1.3 Promote strong and sustainable internal controls to provide a foundation for the University's success.**

#### STRATEGIES

- Provide clear, relevant, and actionable recommendations.
- Support management in its efforts to implement remediation plans by following up on those plans prior to the implementation date.

**2. Functional Excellence and Continuous Improvement:** We operate with excellence in all that we do, continuously exploring opportunities to better serve the University.



**2.1 Incorporate requirements of the new Global Internal Audit Standards (GIAS) into the internal audit function.**

**STRATEGIES**

- Update operating policies, manuals, and processes to reflect the GIAS.
- Update internal review portion of Quality Assurance and Improvement Program (QAIP) to align with the GIAS.

**2.2 Embrace technology to enhance and modernize internal audit function operations.**

**STRATEGIES**

- Implement audit management software and integrate it into audit processes.

**2.3 Provide a real-world learning opportunity for a student each semester**

**STRATEGIES**

- Offer a paid for-credit internship experience, helping the student develop career readiness and workplace skills.

**3. Team Empowerment and Development: Our team makes the difference in what we do. When team members love working here, we unlock their potential and passion for our mission.**

**3.1 Empower team members to embrace creativity and innovative thinking to identify risks and suggest solutions or improvements.**

**STRATEGIES**

- Encourage brainstorming and “what if” thinking in all that we do.
- Provide appropriate memberships, subscriptions, and/or other information to encourage awareness of current events, trends, and risks.

**3.2 Foster a culture of support for team members to develop their knowledge and skills to advance in their careers, including participation in professional certification programs and conferences.**

**STRATEGIES**

- Develop and document an annual training plan specifically for each team member.
- To encourage the acquisition of certifications, consult with Human Resources to develop a career progression program or framework that outlines the knowledge, skills, abilities, and certifications necessary to advance in the field.
- Provide resources (funding and time) for team members to obtain continuing professional education annually.

**3.3 Encourage team members to serve professional organizations to enhance their development.**

**STRATEGIES**

- Provide work hours for team members to participate in these activities.

# Finance & Administration

**Rob Hoover**

VPFA

December 4, 2025



# Budget Development

# Incremental Budgeting



- Centrally Managed
- Incrementally Developed
- Strategically Prioritized

# Budget Development Timeline



Environmental  
Scan

July – Oct



Budget Call

Nov – Jan



Budget  
Review

Jan – Feb



Budget  
Workshop

Feb



Tuition & Fee  
Recommendation

March



Budget  
Finalization

May – June

# Budget Call & Review Process

## TARGETS

**2% - Budget Requests**

**Reallocate Funds**

**Equipment Trust Fund**

# Fiscal Year 2027 Planning

# Fiscal Year Planning

## CONSIDERATIONS

- Commonwealth Support Request
- Enrollment
- Student Affordability
- Strategic Focus
- Mandatory Cost Increases



# Commonwealth Support Request

**Nursing Support:**  
**\$2.1M**



**Roanoke Facility:**  
**\$295.8M**



**Affordable Access:**  
**\$1.8M**

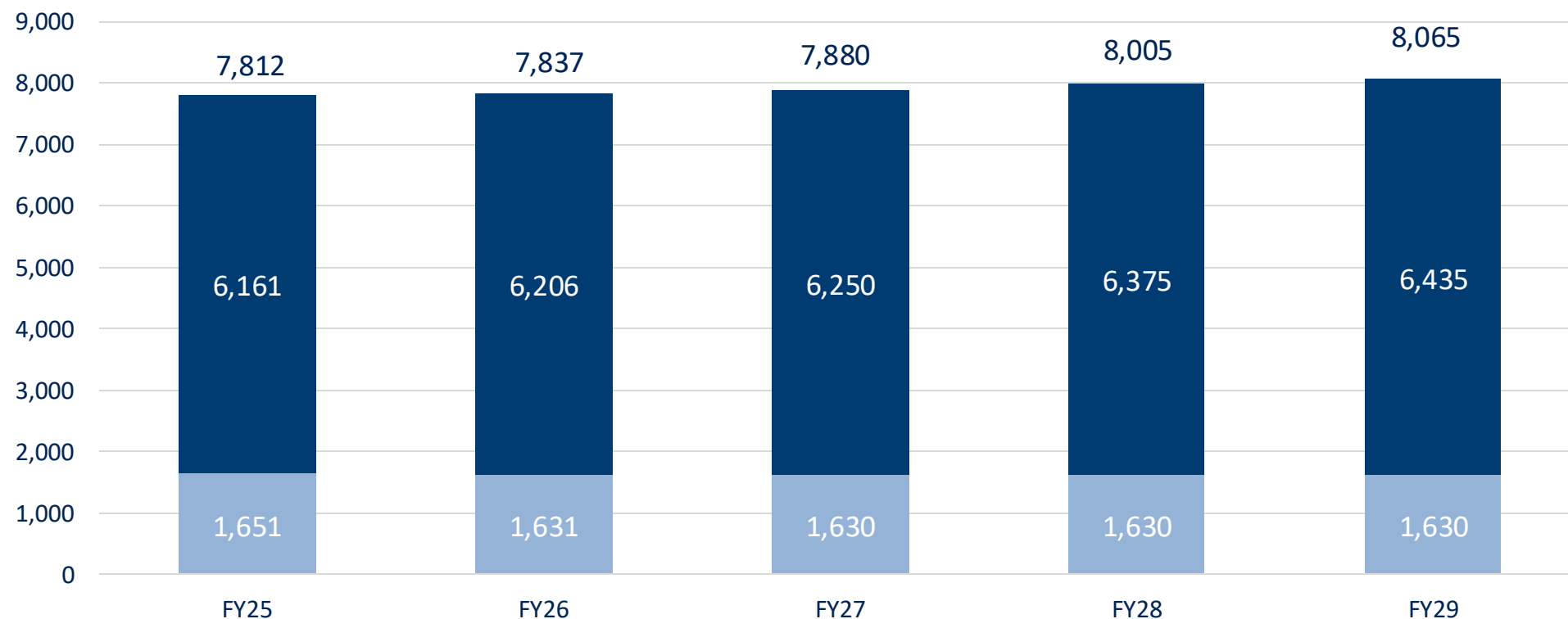


**McConnell Library Renovation:**  
**\$69.5M**



# Enrollment Outlook by Level

## Enrollment by Level

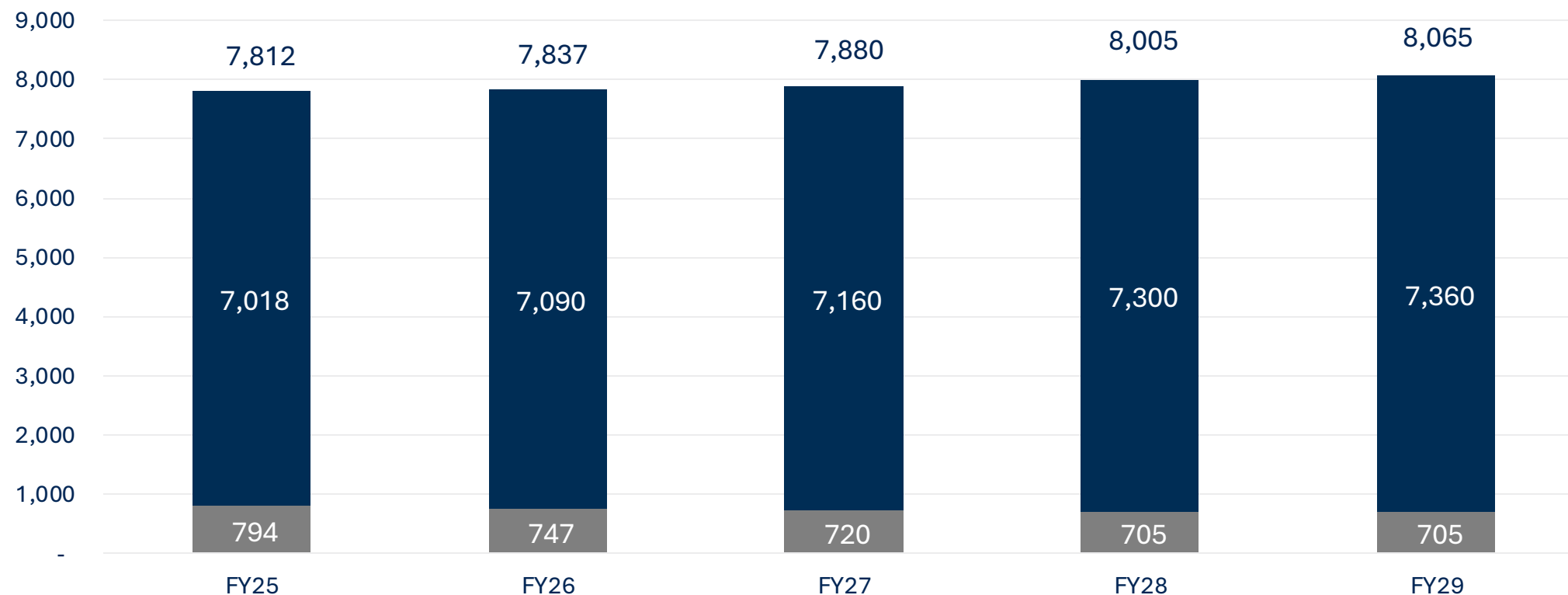


- FY25 & 26 Actuals; FY26 - FY28 Projections
- Enrollment data: IR 11/03/25

■ Graduate Headcount   ■ Undergraduate Headcount

# Enrollment Outlook by Residency

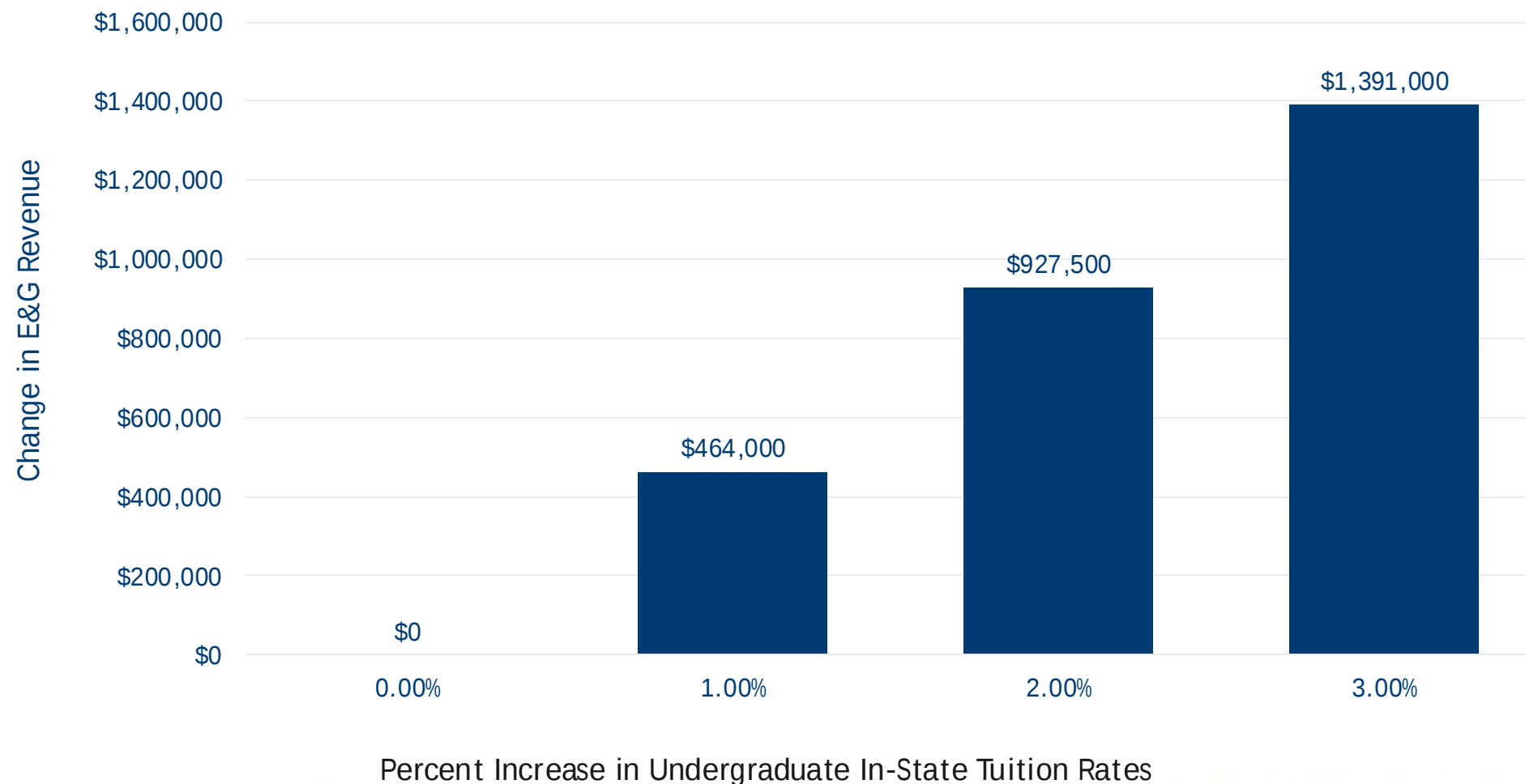
## Enrollment by Residency



- FY24 & 25 Actuals; FY26 - FY28 Projections
- Enrollment data: IR 11/07/24

■ Out-of-State Headcount ■ In-State Headcount

# Impact of Tuition Changes



# Virginia Full Cost Policy

| <u>FY 2024-25:</u>          | <u>FY 2025-26: (estimated)</u> |
|-----------------------------|--------------------------------|
| Total FTE: 7,182            | Total FTE: 7,293               |
| Total OS FTE: 698           | Total OS FTE: 678              |
| OS UG FTE: 476              | OS UG FTE: 449                 |
| OS GR FTE: 222              | OS GR FTE: 229                 |
| <b>OoS % of Cost: 94.2%</b> | <b>OoS % of Cost: 98.8%</b>    |

SCHEV formula:

Total Resources/Total FTE = **TARGET**

$[(\text{UG OS FTE} \times \text{UG OS rate}) + (\text{GR OS FTE} \times \text{GR OS rate})] / \text{Total OS FTE} = \text{Average OS T\&F}$

Average OS T&F/TARGET = **OS % of Cost**

## Out-of-State UG Tuition & Fees:

|                 |                  |
|-----------------|------------------|
| Tuition:        | 22,012.00        |
| Capital Fee:    | 468.00           |
| Technology Fee: | 120.00           |
| <b>Total:</b>   | <b>22,600.00</b> |

## Out-of-State GR Tuition & Fees:

|                 |                  |
|-----------------|------------------|
| Tuition:        | 19,820.00        |
| Capital Fee:    | 468.00           |
| Technology Fee: | 120.00           |
| <b>Total:</b>   | <b>20,408.00</b> |

**\*IR estimated 2025-26 totals based on current FTEs\***

# Student Affordability



- Pricing Considerations
- Benchmarking
- Student Financial Aid
- Radford Tuition Promise



# Strategic Priorities

## Strategic Themes

- Culture of Care
- Academic Achievement & Intellectual Discovery
- Student Success & Experiential Learning
- Strategic Partnerships & Community Engagement
- Organizational Excellence & Continuous Improvement
- Communication & Collaboration

2026 - 2031

# Mandatory Cost Increases

- In setting the budget, the University must address mandatory cost pressures including:
  - Mandatory salary increases
  - Contractual operating commitments
  - Operation and maintenance of new and existing facilities
  - Contractual escalators for technology and maintenance contracts
  - Escalating utilities
  - Committed cost for previously approved projects
  - Teaching and Research Faculty promotion and tenure contractual commitments
  - Future debt service payments

# Multi-Year Planning

# Multi-Year Planning Assumptions

## ASSUMPTIONS

- Tuition Rate Increase
  - In-State 3%
  - Out-of-State 4%
- Annual Salary Growth
  - 2%
- Operating Expenses Increase
  - 4.75% (average)
- State Appropriations



# Retirement Committee Update

# Discrimination and Harassment Policy

## Updates

- Included Language to Comply with Executive Order 48
- Revised Statement on Non-Discrimination
- Removed Procedures from Policy
- Restructured Policy for Clarity

# Discussion

# Minutes



Radford  
UNIVERSITY



**Business Affairs and Audit Committee**  
**11:00 a.m.**  
**September 11, 2025**  
**Kyle Hall, Room 340, Radford, VA**

**DRAFT**  
**Minutes**

**Committee Members Present**

Ms. Jeanne S. Armentrout, Chair  
Ms. Joann S. Craig, Vice Chair  
Dr. Betty Jo Foster  
Mr. George Mendiola, Jr.  
Mr. Jonathan D. Sweet

**Committee Members Absent**

Mr. James C. Turk

**Board Members Present**

Ms. Jennifer Wishon Gilbert, Vice Rector  
Mr. Dale S. Ardizzzone  
Ms. Betsy D. Beamer  
Mr. William C. Davis  
Ms. Jennifer Wishon Gilbert  
Ms. Mary Anne Holbrook  
Mr. Anthony Moore  
Mr. David A. Smith  
Dr. Matthew Close, Faculty Representative

**Others Present**

Dr. Bret Danilowicz, President  
Mr. Ryan Bowyer, Chief of Staff, Office of the President  
Ms. Karen Castele, Secretary to the Board of Visitors and Special Assistant to the President  
Mr. Jorge Coartney, Associate Vice President for Facilities Management  
Ms. Crystal Cregger, Director of University Services  
Mr. Derek Neal, Chief Executive Officer, Radford University Foundation  
Mr. Paul Ely, Director of Capital Planning and Construction  
Ms. Allison Gallimore, Manager of Business Operations, Finance and Administration  
Ms. Lisa Ghidotti, Executive Director of Government Relations and Strategic Initiatives  
Dr. Dannette Gomez-Beane, Vice President for Enrollment Management and Strategic Communications  
Dr. Rob Hoover, Vice President for Finance and Administration and Chief Financial Officer  
Dr. Angela Joyner, Vice President for Economic Development and Corporate Education  
Ms. Susie Kuliasha, Senior Executive Assistant for the Office of the President

Dr. Jeanne Mekolichick, Associate Provost for Research, Faculty Success and Strategic Initiatives  
Ms. Margaret McManus, University Auditor  
Mr. Ed Oakes, Associate Vice President for Information Technology Services and Chief Information Officer  
Dr. David Perryman, Associate Vice President of Strategic Communications  
Ms. Connie Phillips, Assistant Budget Director for Operations  
Ms. Susan Richardson, University Counsel  
Ms. Lauren Snelson, Assistant Director of University Services  
Mr. Chris Stafford, Assistant Budget Director for Financial Planning and Analysis  
Ms. Michele Thacker, Director of Finance and Administration, Facilities  
Dr. Susan Trageser, Vice President for Student Affairs  
Dr. Bethany Usher, Provost and Senior Vice President for Academic Affairs  
Ms. Penny White, Vice President for University Advancement  
Dr. Andrea Zuschin, Director of Compliance and Title IX Coordinator

### **Call to Order**

Ms. Jeanne S. Armentrout, Chair, formally called the meeting to order at 10:55 a.m. in Kyle Hall, Room 340, Radford, Virginia. Ms. Armentrout welcomed everyone to the September meeting of the Business Affairs and Audit Committee.

### **Approval of Agenda**

Ms. Armentrout asked for a motion to approve the September meeting agenda, as published. Mr. George Mendiola so moved, Ms. Joann Craig seconded, and the motion was carried unanimously.

### **Approval of Minutes**

Ms. Armentrout asked for a motion to approve the minutes of the June 6, 2025, Business Affairs and Audit Committee meeting, as published. Ms. Craig so moved, Mr. Jonathan Sweet seconded, and the motion was carried unanimously.

### **Reports**

#### **University Auditor's Report**

University Auditor Margaret McManus presented oral reports related to auditor independence, the internal quality assurance program, and the quarterly review of the University Discretionary Fund. She also presented the Internal Audit Charter and information on the essential relationship between the Board of Visitors and the internal audit function. She presented reports related to prior and projected audit department activity, five audit reports, and a follow-up audit status report. Fiscal year 2025 goals were reported upon, and similar goals for FY 2026 have been established. A copy of the reports was included with the board materials.

#### **Capital Projects and Information Technology Services Updates**

Associate Vice President for Facilities Management Jorge Coartney provided an update on active and future Capital Projects. These projects included Tyler and Norwood Halls renovations, Co-Gen Project, Campus Utilities Infrastructure, Dalton Hall renovation, the Roanoke Innovation Corridor, and the River Campus. An update on Information Technology Services and Capital Projects was provided in the board materials.

#### **Financial Update**

Vice President for Finance and Administration Rob Hoover presented the financial performance report for 2024-25, which included a review of the year-end financial activity and a summary of past due accounts written off as of June 30, 2025. A copy of this report was provided in the board materials.

## **Action Items**

### **Recommendation for Approval of FY2026 Audit Plan**

University Auditor Margaret McManus presented the proposed FY2026 Audit Plan. Ms. Armentrout asked for a motion to recommend the FY2026 Audit Plan, as presented, to the full Board for approval. Mr. Mendiola so moved, Ms. Craig seconded, and the motion was carried unanimously. A copy of the proposed resolution is attached hereto as ***Attachment A*** and is made a part hereof.

### **Recommendation for Approval of the 2026-32 Six-Year Capital Plan**

Associate Vice President for Facilities Management Jorge Coartney presented the proposed 2026-32 Six-Year Capital Plan. Ms. Armentrout asked for a motion to recommend the 2026-32 Six-Year Capital Plan, as presented, to the full Board for approval. Mr. Jonathan Sweet so moved, Ms. Craig seconded, and the motion was carried unanimously. A copy of the proposed resolution is attached hereto as ***Attachment B*** and is made a part hereof.

### **Recommendation for Approval of the 2025 Six-Year Plan**

Vice President Hoover presented the proposed 2025 Six-Year Plan. Ms. Armentrout asked for a motion to recommend the proposed 2025 Six-year Plan, as presented, to the full Board for approval. Ms. Craig so moved, Mr. Sweet seconded, and the motion was carried unanimously. A copy of the proposed resolution is attached hereto as ***Attachment C*** and is made a part hereof.

### **Recommendation for Approval of the 2025-26 Operating Budget**

Vice President Hoover reviewed the proposed 2025-26 Operating Budget. Ms. Armentrout asked for a motion to recommend the 2025-26 Operating Budget, as presented, to the full Board for approval. Mr. Sweet so moved, Mr. Mendiola seconded, and the motion was carried unanimously. A copy of the proposed resolution is attached hereto as ***Attachment D*** and is made a part hereof.

### **Recommendation for Approval of the A/P Faculty Handbook Revision**

Vice President Hoover presented to the committee the proposed changes to the Administrative and Professional (AP) Faculty Handbook. Information was provided regarding the update which was to amend the timeline for AP Faculty evaluations and revised performance expectations. The update changes the performance cycle to follow the fiscal year, July 1 to June 30, instead of October 25 to October 24, which was the prior cycle. The update also amended the deadlines for annual evaluations and revised performance expectations from November 1 and November 30, respectively, to timeframes dependent on the annual performance cycle. Ms. Armentrout asked for a motion to recommend the A/P Faculty Handbook Revision, as presented, to the full Board for approval. Mr. Mendiola so moved, Ms. Craig seconded, and the motion was carried unanimously. A copy of the proposed resolution is attached hereto as ***Attachment E*** and is made a part hereof.

## **ADJOURNMENT**

With no further business to come before the committee, Ms. Armentrout adjourned the meeting at 12:27 p.m.

Respectfully submitted,

Pamela Fitchett  
Executive Assistant to the  
Vice President for Finance and Administration  
and Chief Financial Officer

## End of Board of Visitors Materials

