MEETING OF THE BOARD OF GOVERNORS
Committee on Audit, Risk Management, and Compliance

February 23, 2022 at 12:30 p.m.
Via Videoconference and PBS North Carolina Live Stream
UNC System Office
140 Friday Center Drive, Board Room
Chapel Hill, North Carolina

AGENDA

OPEN SESSION
A-1. Approval of the Open Session Minutes of November 9, 2021.................................Mark Holton
A-2. UNC System Office Internal Audit Update..............................................................Lynne Sanders
A-3. North Carolina Internal Audit Award of Excellence..............................................Lynne Sanders
A-5. Audit Reports Issued by the Office of the State Auditor ........................................Lynne Sanders
A-6. Information Technology Maturity Model – Progress, Momentum and
    Maturity of Information Security in the UNC System.............................................Keith Werner
A-7. Strengthening Campus Safety....................................................................................Fred Sellers

CLOSED SESSION
A-8. Approval of the Closed Session Minutes of November 9, 2021.................................Mark Holton
A-9. Information Systems Audit Issued by the
    Office of the State Auditor......................................................................................Lynne Sanders and Keith Werner

OPEN SESSION
A-10. Adjourn
Closed Session Motion

Motion to go into closed session to:

- Prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 and § 143-748 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes; and

- Consult with our attorney to protect attorney-client privilege.

Pursuant to: G.S. 143-318.11(a)(1) and (3).
DRAFT MINUTES

November 9, 2021
Via Videoconference and PBS North Carolina Live Stream
UNC System Office
140 Friday Center Drive, Room 128
Chapel Hill, North Carolina

This meeting of the Committee on Audit, Risk Management, and Compliance was presided over by Chair Mark Holton. The following committee members, constituting a quorum, were also present in person or by videoconference. Pearl Burris-Floyd, James L. Holmes, Jr., and Wendy Floyd Murphy. The following committee members were absent: Terry Hutchens and Art Pope.

Chancellors participating were Darrell Allison and Sharon Gaber. Timothy J. Ives, chair of the UNC Faculty Assembly, was also in attendance.

Staff members present included Lynne Sanders, Anne Phillips, and others from the UNC System Office.

1. Call to Order and Approval of OPEN Session Minutes (Item A-1)

The chair called the meeting to order at 2:06 p.m., on Tuesday, November 9, 2021, and called for a motion to approve the open session minutes of September 15, 2021.

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance approve the open session minutes of September 15, 2021, as distributed.

Motion: James L. Holmes, Jr.
Motion carried

2. Summary of System-wide Internal Audit Activities for the FY2021 (Item A-2)

Chair Holton called on UNC System Vice President for Compliance and Audit Services Lynne Sanders to provide a summary of the UNC System internal audit activities for the 2020-21 fiscal year.

This item was for information only.
3. Approval of UNC System-wide Internal Audit Plans for 2021-22 (Item A-3)

Ms. Sanders presented to the committee the UNC System Internal Audit Plans for 2021-21 for approval. Following the presentation, the chair called for a motion to approve the plans.

**MOTION:** Resolved, that the Committee on Audit, Risk Management, and Compliance approve the UNC System-wide Internal Audit Plans for 2021-22 and recommend it to the full Board of Governors for a vote through the consent agenda.

Motion: Wendy Floyd Murphy
Motion carried

4. Property Insurance Update (Item A-4)

Ms. Sanders presented to the committee an update on the status of implementing Section 1300.7.1 of the UNC Policy Manual, *Policy on Insurance Coverage*. In coordination with the Department of Insurance, the UNC System Office, and risk managers at each institution, progress has been made to evaluate current property at the constituent institutions in order to adjust property valuations as needed. Seven campuses have been evaluated and records have been updated, as necessary, to ensure the proper valuations are assigned and coverage meets the requirement of the policy. Ten campuses are currently under evaluation and property records will be adjusted once evaluations are complete. All campuses have the appropriate level of coverage as prescribed by UNC policy and have submitted required documentation to support any changes to the levels of coverage.

This item was for information only.

5. Summary Report of Major Associated Entities (Item A-5)

Ms. Sanders presented the annual summary report of the University's major associated entities. Across 88 associated entities that required annual audits for fiscal year ending June 30, 2019, four had audit findings reported by the external auditors. Internal auditors at the respective institutions follow up on the findings reported and verify that satisfactory progress is made towards corrective action.

This item was for information only.


Ms. Sanders presented to the committee a report summarizing the top enterprise risks at the UNC System Office and the constituent institutions.

This item was for information only.
7. Introduction of CIO Council and Information Security Council Chairs (Item A-7)

Chair Holton called on UNC System Chief Information Officer Keith Werner to provide the committee with an introduction of Mike Barker, chief information officer at the University of North Carolina at Chapel Hill and chair of the Chief Information Officer (CIO) Council; and Joel McKenzie, chief information security officer at Western Carolina University and chair of the Information Security Council (ISC).

The CIO Council is composed of the information technology leaders of the 17 constituent institutions of the UNC System and is facilitated by the UNC System Office CIO, Keith Werner, who is also a member. The ISC guides UNC System constituent institutions on matters related to information security and assists with developing common approaches to information security challenges across the UNC System and enhances information sharing among our institutions.

This item was for information only.

8. Information Security in Higher Education (Item A-8)

Chair Holton called on Mr. Werner to introduce Joanna Grama, associate vice president and information security practice leader with Vantage Consulting and former director of cybersecurity and IT governance at Educause. Ms. Grama’s presentation provided meaningful insight on the current state of affairs in information security in higher education and highlighted the essential components and security program elements that are required for success. Ms. Grama was also supportive of the seven initiatives approved by the CARMC regarding information technology.

This item was for information only.

9. Closed Session

MOTION: Resolved, that the Committee on Audit, Risk Management, and Compliance move into closed session to Prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 and § 143-748 of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes; and to consult with our attorney to protect attorney-client privilege pursuant to Chapter 143-318.11(a)(1) and (3) of the North Carolina General Statutes.

Motion: James L. Holmes, Jr.
Motion carried

THE MEETING MOVED INTO CLOSED SESSION AT TIME
(The complete minutes of the closed session are recorded separately.)
THE MEETING RESUMED IN OPEN SESSION AT 3:12 p.m.

10. Adjourn

There being no further business and without objection, the meeting adjourned at 3:12 p.m.

___________________________________
Terry Hutchens, Secretary
AGENDA ITEM

A-2. UNC System Office Internal Audit Update ................................................................. Lynne Sanders

Situation: The chief audit officer provides periodic updates on the UNC System Office’s internal audit activities.

Background: In accordance with the committee charter and *International Standards for the Professional Practice of Internal Auditing (Standards)* issued by The Institute of Internal Auditors, the committee is to receive periodic updates on the UNC System Office’s internal audit activities. This allows the committee to assess internal audit’s performance relative to the approved annual audit plan.

Assessment: The attached document identifies the current status of the 2021-22 internal audit projects.

Action: This item is for information only.
## UNC System Office Internal Audit Update

### Fiscal Year 2022

<table>
<thead>
<tr>
<th>Engagements</th>
<th>Planned Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Prior Year Carry Over</strong></td>
<td></td>
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<tr>
<td>Annual Risk Assessment - FY2022 Audit Plan development</td>
<td>Complete</td>
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<tr>
<td><strong>Assurance Engagements</strong></td>
<td></td>
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<tr>
<td>Operational - <em>University Advancement</em>: Collection, security, and privacy;</td>
<td>In Process</td>
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<tr>
<td>management of donor information; operations of Advancement Shared Services</td>
<td></td>
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<tr>
<td>and Gift Planning</td>
<td></td>
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<tr>
<td>Compliance - <em>Finance and Administration</em>: Subrecipient monitoring for COVID</td>
<td>Complete – report issued January 2022</td>
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<tr>
<td>funds</td>
<td></td>
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<tr>
<td><strong>Consultation Engagements</strong></td>
<td></td>
</tr>
<tr>
<td>Operational - <em>PBS NC</em>: Workflow analysis</td>
<td>Complete – report issued January 2022</td>
</tr>
<tr>
<td>Information Systems - <em>Infrastructure and Operations</em>: Configuration</td>
<td>In Process</td>
</tr>
<tr>
<td>and vulnerability management of IT assets</td>
<td></td>
</tr>
<tr>
<td>Compliance - <em>Safety &amp; Emergency Operations, PBS NC</em>: Security measures</td>
<td>Not started</td>
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<tr>
<td>Information Systems - Change management analysis</td>
<td>In Process</td>
</tr>
<tr>
<td>Performance - <em>Finance and Administration</em>: Performance metrics and goals</td>
<td>Complete – report issued January 2022</td>
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<tr>
<td>for COVID funds</td>
<td></td>
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<tr>
<td>Information Technology: Clarification of UNC System Office responsibility</td>
<td>Not started</td>
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<tr>
<td>surrounding information services at units not managed by the System Office</td>
<td></td>
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<tr>
<td>Technical Assistance to UNC System Office and PBS NC Management</td>
<td>Ongoing</td>
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<tr>
<td><strong>Follow-up on Management Corrective Actions</strong></td>
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<tr>
<td><em>UNC System Office</em>:</td>
<td>In Process</td>
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<tr>
<td>• Contracting process</td>
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<td>• Payroll Shared Services</td>
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<tr>
<td>• State Approving Agency/Human Resources</td>
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<td>• Datamart security audit</td>
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<tr>
<td>• End user data storage</td>
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<tr>
<td>• Security awareness</td>
<td></td>
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<tr>
<td>• Alleged noncompliance and misuse of federal funds</td>
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<tr>
<td>• Contracting process design</td>
<td></td>
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<tr>
<td><em>PBS NC</em>: PCI compliance review</td>
<td>None in process</td>
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<tr>
<td><strong>Investigations</strong></td>
<td></td>
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<tr>
<td>Unplanned/Various as occurs: Investigations of internal/external hotline</td>
<td>None in process</td>
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<tr>
<td>reports and similar types of investigations.</td>
<td></td>
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<tr>
<td><strong>Special Projects</strong></td>
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<tr>
<td>Data Analytics dashboard development</td>
<td>In process</td>
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<tr>
<td>Development of UNC System Office Internal Audit Internship Program</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Internal Audit Internship Program Management</td>
<td>Ongoing</td>
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<tr>
<td>Engagements</td>
<td>Planned Hours</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Other Hours</td>
<td></td>
</tr>
<tr>
<td>Board meetings, unit oversight, staff hiring, MOUs, and marketing</td>
<td>Ongoing</td>
</tr>
<tr>
<td>other services/committees: other routine advisory services to PBS NC and</td>
<td></td>
</tr>
<tr>
<td>the System Office; assist external auditors; charter updates; annual</td>
<td></td>
</tr>
<tr>
<td>certifications; CAO/OIA committee meetings; QAIP work; and other projects</td>
<td></td>
</tr>
<tr>
<td>to be determined.</td>
<td></td>
</tr>
<tr>
<td>Professional development</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
AGENDA ITEM

A-3. North Carolina Internal Audit Award of Excellence .............................................................. Lynne Sanders

Situation: Annually, the State of North Carolina Council of Internal Auditing awards the North Carolina Internal Audit Award of Excellence. Nominations are sought to identify top-performing internal audit professionals that exemplify dedication, contribution, and innovation to the internal auditing profession within state government.

Background: The Council of Internal Auditing has established the North Carolina Internal Audit Award of Excellence. This award is intended to acknowledge and express appreciation for outstanding accomplishments made by an individual internal auditor or an internal audit function within North Carolina State government. The accomplishments need not fall entirely within the scope of normal auditing duties but shall be in the nature of a major contribution reflecting credit on the person and internal auditing service provided to the State of North Carolina.

Assessment: In December 2021, the recipient of the annual North Carolina Internal Audit Award of Excellence was Kara Hefner from the University of North Carolina at Chapel Hill.

Action: This item is for information only.
NC INTERNAL AUDIT AWARD OF EXCELLENCE

Lynne Sanders, UNC System Office
Dean Weber, UNC-Chapel Hill
Congratulations to Kara Hefner

• Annually, the North Carolina State Council of Internal Auditing, in connection with the Office of State Budget Management, identifies one audit professional from within the state who exemplifies commitment and dedication to furthering the profession of internal audit within the North Carolina State Government. That individual is awarded the North Carolina Internal Audit Award of Excellence.

• In December, the 2021 award was bestowed to Kara Hefner, CPA, CIA. Kara has been a member of the University of North Carolina at Chapel Hill’s internal audit team since 2019.
AGENDA ITEM


Situation: The UNC System and internal audit functions across state government benefit from having increased resources to complete annual risk-based internal audit plans.

Background: In support of strengthening internal audit resource capacity across the UNC System and state government, the UNC System Office established the Internal Audit Internship Program in July 2021.

Assessment: The UNC System Office hired an audit manager to supervise and oversee the internal audit internship program. The audit manager works under the direction of the vice president for compliance and audit services and supervises interns each semester to assist the UNC System Office, constituent institutions, and state government with the completion of its internal audit plans. This effort addresses critical risk areas such as ransomware, information technology related issues, compliance with federal and state laws related to COVID-19 relief funding, and data analytics to encourage continuous monitoring and auditing.

Action: This item is for information only.
INTERNAL AUDIT INTERNSHIP PROGRAM

UNC System Office of Compliance and Audit Services
Lisa Outlaw, CISA, CISSP, CRMA, CFE, CIA, CDPSE
We Achieved Our Goal
25 Students

Fall Semester = 10 students  Spring Semester = 15 Students
13 Participating Entities

UNC System Institutions = 8

State Agencies = 5
13 Participating Entities

UNC System Institutions - 8

State Agencies - 5
28 Engagements

8 Compliance
5 Information Technology
1 Application Review
13 Data Analytic Dashboards
1 Operational/Performance
13 Completed Engagements
Fall 2021

1 Information Systems
3 Compliance
8 Data Analytic Dashboards
1 Operational/Performance
15 Engagements In-Progress
Spring 2022

5 Compliance
4 Information Technology

5 Data Analytic Dashboards
1 Application Review
<table>
<thead>
<tr>
<th>Type of Engagement</th>
<th>Entity Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Information Systems</td>
<td>North Carolina School of Science and Mathematics</td>
</tr>
<tr>
<td>3 Compliance</td>
<td>North Carolina State University</td>
</tr>
<tr>
<td>8 Data Analytic Dashboards</td>
<td>North Carolina School of Science and Mathematics</td>
</tr>
<tr>
<td>1 Operational/Performance</td>
<td>PBS North Carolina</td>
</tr>
</tbody>
</table>

**Fall 2021**

- NCPRO received more than one dashboards

<table>
<thead>
<tr>
<th>Type of Engagement</th>
<th>Entity Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Compliance</td>
<td>Appalachian State University, NCPRO</td>
</tr>
<tr>
<td>4 Information Systems</td>
<td>ECSU</td>
</tr>
<tr>
<td>5 Data Analytic Dashboards</td>
<td>UNC System Office</td>
</tr>
<tr>
<td>1 Application Review</td>
<td>North Carolina State University</td>
</tr>
</tbody>
</table>

**Spring 2022**

- ASU and NCPRO received more than one engagement

- UNC System Office received more than one dashboards

- Environmental Quality
Deliverables
Matthew Pierson

Compliance Audit

NCPRO

related to the use of Coronavirus Relief Funds
Venkata Dhurjaty

Data Analytics Dashboard

DMVA

related to Veterans' Benefits
9. How does each cemetery determine the number of employees?

Employees by State:
- Louisiana: 32
- North Carolina: 22
- Kentucky: 21
- Mississippi: 14
- Georgia: 13
- Arkansas: 10
- South Carolina: 10
- West Virginia: 8
- Alabama: 5
- Florida: 0
- Tennessee: 0
- Virginia: 0

All States:
- First State: 135 Employees

State | Employees | Staffing Method | Determine # Employees | Comments |
--- | --- | --- | --- | ---|
All States | 0 | Unknown | | |
Florida | 0 | Unknown | | |
Georgia | 6 | Unknown | | Spouse buried with veteran, With COVID, they will be reaching capacity, Spouse buried with veteran |
Kentucky | 9 | FTE | | |
Kentucky | 12 | FTE | | |
North Carolina | 22 | State Employees | | Small fee for spouses |
Tennessee | 0 | Unknown | | Construction in progress as of 2021. |

# States by Staffing Method:
- Mixed
- State Employees
- FTE
- Unknown

Pie Chart:
- Mixed: 30%
- State Employees: 60%
- FTE: 5%
- Unknown: 5%
Brittany Lewis

Operational Engagement

NCSSM

Financial and Human Resource Operations
Yang “Kate” Sun

Data Analytics Dashboards

NC PRO

related to Counties and Universities use of Coronavirus Relief and GEER Funds
1) How Much Was Allocated to the Counties? $307,843,999.60
2) How Much Was Spent by the Counties? $237,969,060.41

3) How Much Was Spent by Each Individual County?

4) How Much Was Spent by Each Federal Category?

- Payroll for Public Health and Safety Employees: $139,877,127.33
- Budgeted Personnel and Services Diverted to a Substantially Different Use: $37,030,964.44
- Public Health Expenses: $25,945,964.35
- Items Not Listed Above: $9,699,903.94
- Small Business Assistance: $5,896,328.12
- Improve Telework Capabilities of Public Employees: $5,701,309.52
- Personal Protective Equipment: $4,488,593.56
- Housing Support: $3,767,903.51
- COVID-19 Testing and Contact Tracing: $2,611,932.90
- Economic Support (Other than Small Business): $2,329,902.53

Total: $237,969,060.41
Data Analytics Dashboards
NCPRO
Hospitals and Nonprofits use of related to Coronavirus Relief
1) How Much Was Allocated to the Nonprofits? $349,527,617.00

2) How Much Was Spent by the Nonprofits? $306,868,370.94

3) How Much Was Spent by Nonprofits Within a County?

4) How Much Was Spent by Each Federal Category?

Federal Category | Total Expenditures
-----------------|---------------------
Public Health Expenses | $99,754,130.24
Small Business Assistance | $85,852,539.34
Personal Protective Equipment | $53,959,368.61
Facilitating Distance Learning | $33,486,028.17
Economic Support (Other than Small Business, Housing, and Food Assistance) | $7,031,252.78
COVID-19 Testing and Contact Tracing | $3,530,129.81
Improving Telework and Capabilities of Public Employees | $702,692.24
Housing Support | $7,175.00
Total | $306,868,370.94

Nonprofits:
- Steve Smith Family Foundation
- Backpack Ministry, Inc
- Bridge to Recovery, Inc
- Brody School of Medicine at East Carolina University
- Buncombe County NFP (SI)
- CAGC Foundation, Inc
- Campbell University School of Medicine
- Care Ring NFP (SI)
- Carolina Ballet
- Carolina Small Business Development Fund
- Children’s Advocacy Centers of Western North Carolina
- Community Foundation of Greater Greensboro
- Crossnore School and Children’s Home
- Duke University Human Vaccines Institute

Agreement | County | Recipient Name | Employee Title or Description of Item Purchased | Total Expenditure
-----------|--------|----------------|-----------------------------------------------|-------------------
82-00 | Mecklenburg | Steve Smith Family Foundation | | $18,000.00
108-00 | Guilford | Backpack Ministry, Inc | | $99,397.1
24-01 | Morris | Brody School of Medicine at East Carolina University | | $118,756.6
74-00 | Mecklenburg | CAGC Foundation, Inc | | $4,000.00
Total | | | | $306,868,370.94
Jessica Taylor

Compliance Engagement

UNC System Office

Subrecipient Monitoring related to Coronavirus Relief Funds
Success Stories
Candace Rheaume

“I was able to obtain work in State Government.”
Nathan Uy

“My Internship...allowed me to gain my first real-world experience within the field of accounting.”
Professors
Charles “Chuck” Powell, CPA

Wake Tech Accounting Instructor
Norene Kemp

Wake Tech Data Analytics Instructor
Dr. Al Chen

North Carolina State University
Instructor
Spring 2022 Interns
Melissa Williams

“I know this learning environment is unique because I used to be a teacher. ... I feel fortunate to have learned about this opportunity at UNC System through Wake Tech.”
Parul Patel

“This internship program gave me a larger picture within my field of study. I am able to learn new skills and am so grateful for the opportunity it has given me.”
Hagar Wati

“My internship with UNC System office provided me with hands on experience and gave me a glimpse on what my professional life can look like. I am really grateful for this opportunity.”
Improving Information Systems
The Best is Yet to Come
Thank You
AGENDA ITEM

A-5. Audit Reports Issued by the Office of the State Auditor

Situation: The committee will receive an update on the financial statement audit reports issued to date by the Office of the State Auditor for the 2021 fiscal year.

Background: All constituent institutions and the UNC System Office are subject to audit by the North Carolina State Auditor under Article 5A of Chapter 147 of the North Carolina General Statutes. The state auditor conducts annual financial statement audits at each institution, annual federal compliance audits at select institutions, and periodically performs other audits, such as information technology general controls audits at select institutions.

Assessment: The Office of the State Auditor has released 15 financial statement audit reports on the UNC System for the 2021 fiscal year. The audit results have been summarized in the attachment.

Action: This item is for information only.
<table>
<thead>
<tr>
<th>Institution Name</th>
<th>Report Link</th>
<th>Release Date</th>
<th># of Findings</th>
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AGENDA ITEM

A-6. Information Technology Maturity Model – Progress, Momentum, and Maturity of Information Security in the UNC System ............................................................... Keith Werner

Situation: The purpose of this item is to provide the Committee on Audit, Risk Management, and Compliance (CARMC) an update to a set of recommendations to improve and mature the information technology controls and information security posture for each institution.

Background: In April 2021, CARMC identified information governance and information security as areas of critical enterprise risk. CARMC requested that the UNC System Office develop a set of recommendations to address this issue. The UNC System Office Risk Review Board, in consultation with the CIO Council, drafted a series of seven recommendations, with the programmatic goals of: (1) third-party validation of baseline controls, (2) improve the information security posture, (3) assure leadership is actively engaged in risk decision, (4) continuously monitor progress and exploit areas of improvement, (5) organizationally prioritized risks, (6) targeted IT investments based on determined prioritization, and (7) appropriate resource coverage. These recommendations were approved in April 2021.

Assessment: Information Technology is a dynamic environment and challenged with frequent and new security attack vectors. All constituent institutions in the UNC System have agreed to the International Organization for Standardization (ISO) 27002 framework and its associated 114 controls. The first recommendation is a third-party assessment of each institution against those 114 controls. This is an active engagement and one that will provide a solid baseline to measure and develop further sets of recommendations. In addition, each institution should leverage their enterprise risk management committee to ensure that organizational targets are set for each control and prioritization of risk is determined for information technology. The remaining recommendations include: utilize contract virtual information security officer services for institutions absent a chief information security officer; maintain a dedicated budget specific to information security; and continue to follow and align to MCNC security services. The UNC System Office will provide an update on all the recommendations and preview the annual update in May 2022.

Action: This item is for information only.
Information Technology Maturity Model

Progress, Momentum and Maturity of Information Security In The UNC System
AGENDA

Updates to IT Maturity Model

- Background & Recent Updates
- Status of Active Initiatives
- Timeline – Completed & Upcoming
- Memo & Highlights
<table>
<thead>
<tr>
<th>Initiatives</th>
<th>Status</th>
<th>Additional Information</th>
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</thead>
<tbody>
<tr>
<td>1. Third-Party Cyber Maturity Assessment for all 18 UNC institutions</td>
<td>✔️</td>
<td>On schedule to be completed in April 2022</td>
</tr>
<tr>
<td>2. All institutions leverage their risk management functions</td>
<td>✔️</td>
<td>Consistently documented as the top enterprise risk, all Charters have been completed and submitted to SO</td>
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<tr>
<td>3. System Office vets optional vCISO contract consulting services for institutions absent a CISO</td>
<td>✔️</td>
<td>Completed and shared with all constituent institutions, currently three institutions are utilizing</td>
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<tr>
<td>4. Dedicated, reviewable budget specific to cyber security</td>
<td>✔️</td>
<td>Being implemented carefully so that it can be tracked in FDM. Very complex with needed standard methodology</td>
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<tr>
<td>5. Coordinate with MCNC Security Services roadmap</td>
<td>✔️</td>
<td>Shared roadmap with CIOC and each institution, continued updates</td>
</tr>
<tr>
<td>6. CIO and CISO onboarding programs</td>
<td>✔️</td>
<td>Enhanced and implemented to deliver on an as-needed basis</td>
</tr>
<tr>
<td>7. Sharing of appropriate audit information at CIOC/ ISC</td>
<td>✔️</td>
<td>Regular updates to CIOC and ISC. Resources now in place to provide pre/post Audit support</td>
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TIMELINE

Completed

- **CARMC Approved Recommendations**
  - April 2021

- **MCNC Update to CIOC**
  - Recurring

- **Presidential Memo to Chancellors**
  - July 2021

- **CIOC & ISC Monthly Meetings**
  - Recurring

- **ERM CIO Meetings**
  - (Initiated by ERM)
  - Multiple Meetings
Cybersecurity Budget Work Group

October 2021

1. Survey for Policy Status
2. Budget Info
3. System President Memo Sent

January 2022

1. MCNC Assessment Completion
2. Surveys due March
3. Top 10 Register

March & April 2022

Annual Update to CARMC

May 2022

June 2022

Cybersecurity Budget Implementation status check

Recurring / Multiple Meetings
Memorandum

To: UNC System Chancellors

From: Peter Hans, President

Date: July 13, 2021

Subject: IT Recommendations Approved by the Board of Governors Committee on Audit, Risk Management, and Compliance (CARMC)

Following recent information technology (IT) controls audits, the CARMC requested that the UNC System Office develop a series of recommendations to address information security and IT controls. These recommendations were developed from February through the CARMC approval in April 2021. All
Memorandum

To: UNC System Chancellors

From: Peter Hans, President

Date: January 27, 2022

Subject: Information Technology Controls

Cybersecurity continues to be a top enterprise risk for the UNC System. Following recent information technology (IT) controls audits, the Board of Governors Committee on Audit, Risk Management, and Compliance (CARMC) has communicated a clear expectation that institutions mature their information technology controls.
Questions?
Situation: The University of North Carolina System and the Charlotte Field Office of the Federal Bureau of Investigation partnered to conduct a virtual symposium on higher education security issues. This was the first of several such virtual offerings intended to address timely enterprise risks unique to the higher education community. Colleagues from the UNC System, the North Carolina Community College System, and the North Carolina Independent Colleges and Universities were invited to participate.

Background: Risks associated with campus safety and security are among top enterprise risks across the UNC System. With increased federal attention on security threats to university research activities, day one of the symposium outlined federal requirements, threat assessments, and best practices to safeguard university research and mitigate foreign influence. Responding to the threat of an active shooter on campus and the importance of identifying warning signs was the focus of day two of the symposium.

Assessment: The symposium was well attended by a diverse audience of campus staff and leadership. Approximately 280 individuals registered to attend the two-day event. The audience included police chiefs, emergency managers, representatives from student affairs, campus leadership, and external FBI partners. Attendees learned that the American research enterprise is critical to our economy and the national security of our country and, more and more, foreign governments target university research as part of a coordinated espionage effort. Presenters outlined that universities should address this “foreign malign influence” in a systematic and consistent way, while protecting and preserving the independent spirit of the U.S. research culture and avoiding targeted discrimination.

Additionally, the audience heard from a psychologist whose research on school shooters has received international recognition. This research and a briefing on an active shooter incident at a UNC System campus gave the audience information on early warning signs, threat assessment, and campus responses.

Action: This item is for information only.