



Board of Trustees

Audit Committee

February 7, 2023

Minutes

Nettie Stevens Science and Innovation Center, Room 304

A live stream of the meeting for public viewing also took place on YouTube.

MEMBERS PRESENT: Vice Chair William Reichelt and Secretary Dr. Gloria Williams

MEMBERS PARTICIPATING REMOTELY: Committee Chair Theresa Jasmin

MEMBERS EXCUSED: Trustee George Gilmer

TRUSTEE GUESTS PRESENT: Trustees Melissa Alvarado, Dr. Robert Martin, Chris Montemayor, Ali Salehi, and Chloe Sanfacon

Also present and participating were Westfield State University President Dr. Linda Thompson and Administration and Finance Vice President Stephen Taksar and Associate Vice President Lisa Freeman. Mike Santolucito and Samantha Spezeski from The Boston Consortium (Consortium) joined the meeting remotely.

The meeting was called to order at 12:37 PM by Committee Chair Jasmin. A roll call was taken of the committee members participating as listed above and it was announced that the meeting was being livestreamed and recorded.

MOTION made by Trustee Reichelt, seconded by Trustee Williams, to approve the minutes of the December 20, 2022, meeting. There being no discussion, **ROLL CALL VOTE** passes motion unanimously with Trustees voting in the affirmative: Reichelt, Williams, and Jasmin.

Audit Committee Charter. The committee charter is being provided for information. The Governance and Nomination Committee created a new template for all the charters to include the committee mission, authority, responsibility, and organization. The Audit Committee's charter is unique since it is a formal University policy, so the formatting is different. At the next meeting the committee will review and revise the charter/policy, being sure to pull in information from the bylaws and include term limits if applicable.

Risk Management Update. Mr. Taksar stated that the enterprise risk management plan had been revived and added to the Director of Emergency Management's tasks. The plan includes the top ten risks of the University and action plans to mitigate them. A presentation on enterprise risk management in higher education will be brought to a future meeting from our insurance company.

Motion – Internal Audits. Trustee Jasmin shared that on January 18 the committee voted to recommend to the full board a partnership with The Boston Consortium for internal audit services and the committee

needs to determine which items to consider for audit. Representatives of the Consortium gave insight into the organization, which the University partners with for travel services.

The committee considered previous internal audits from 2015 to 2018. The Consortium suggested the following areas to consider for an internal audit and provided detailed processes on each suggestion.

1. Bursar/Student Accounts (250 hours). They would also be able to provide best practice on our new system.
2. Grants (250 hours)
3. Procurement Card (175 hours)

For each area being considered, the committee was asked to think about the amount of money and people involved, and the reputational risk of those in the audit area. Discussion of audit topics included:

- Student accounts: there are significant funds going through this office.
- Grants: this office has had a turnover in personnel, but it is growing. There would be value in understanding best practices as the office processes more grants. Federal awards are audited through the annual financial aid audit.
- Procurement cards: there is less than \$500,000 in annual activity for less than 50 cards, but this was a sensitive area several years ago.
- Two of the top “cash out” areas for internal audit are Payroll and Dining Services.

Committee Chair Jasmin stated the plan is to engage The Boston Consortium for 500 hours, which will be for one audit in the spring and one in the fall. The committee agreed that the first audit should be for Bursar/Student Accounts, so she requested a motion.

MOTION made by Trustee Williams, seconded by Trustee Reichelt, to conduct an internal audit on Bursar/Student Accounts with the agreed upon scope of work to be completed by June 30, 2023, and a final report issued to the Audit Committee within 45 days after completion of the audit.

There being no discussion, **ROLL CALL VOTE** passes motion unanimously with Trustees voting in the affirmative: Reichelt, Williams, and Jasmin.

There being no other business, **MOTION** made by Trustee Williams, seconded by Trustee Reichelt, to adjourn. There being no discussion, **ROLL CALL VOTE** passes motion unanimously with Trustees voting in the affirmative: Reichelt, Williams, and Jasmin.

Meeting adjourned at 1:13 PM.

Attachments presented at this meeting:

- a. Minutes 12-20-22 (Draft)
- b. Audit Committee Charter
- c. Motion – Internal Audits
- d. Internal Audits (Potential Audits)
- e. Internal Audits (Previous Internal Audits)