



AUDIT COMMITTEE

JANUARY 17, 2019

KEENE STATE COLLEGE
KEENE, NEW HAMPSHIRE

MEETING MINUTES

Draft for Approval

Committee members present: Chair Todd Black, Vice Chair Alexander Walker, M. Jacqueline Eastwood, Frank Edelblut, Cathy Green, Shawn Jasper, Scott Mason

Other Trustees present: Donald Birx, James Dean, Nadia Hasan, Todd Leach, Christian Merheb, Mark Rubinstein, John Small, Representative Marjorie Smith (Speaker of the House designee), Melinda Treadwell

Other participants: Tiffany Doherty, Rhonda Hensley, David Gagnon, Ashish Jain, Jeffrey Maher, Carol Mitchell, Jen Renaud, Ron Rodgers, Donna Marie Sorrentino, Janette Wiggett

I. Call to Order

Committee Chair Black called the meeting to order at 10:30 a.m. and noted the presence of a quorum sufficient for the transaction of business.

II. Approval of Consent Agenda Items

Chair Black asked the committee members if they had any comments or questions about the consent agenda items; there were none. On motion offered by Trustee Edelblut and duly seconded, the committee voted to approve the consent agenda.

Items on the consent agenda appear below:

- A. Minutes of October 25, 2018 Meeting
- B. Internal Audit Reports Issued:
 - 1. PSU Youth Summer Programs Audit Report
 - 2. UNH Tuition Billing Audit Report

III. Items for Committee Consideration and Action

A. External Auditors' FY18 Uniform Guidance Audit Reports on USNH Federal Expenditures

KPMG auditors, David Gagnon and Jen Renaud, provided a summary of the audit process and findings relative to selected major federal programs in the Research and Development Cluster. The audit resulted in an unmodified opinion on compliance and no material weakness in internal controls. Reportable findings classified as significant deficiencies relative to UNH grants management processes were identified in four areas: cost transfer entries, equipment inventory processes, federal financial reporting reviews, and required monitoring of subrecipient federal audit findings. UNH and USNH management have reviewed the findings and are working to put new procedures in place to ensure UNH is fully compliant in these areas going forward.

The following motion was made by Trustee Edelblut, duly seconded, discussed, and approved with no votes abstained or dissenting.

***VOTED**, on recommendation of the Chancellor, that the University System of New Hampshire Auditors' Reports from KPMG for the year ended June 30, 2018, as required by Title 2 of the U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Government Auditing Standards and Related Information, be accepted.*

B. Approve CY2019 Internal Audit Plan/Review Internal Audit 2018 Annual Report

Ashish Jain, USNH Director of Internal Audit, reviewed the 2018 Internal Audit report and 2019 Internal Audit Plan. Information was provided regarding department resources, past year activities and advisory reports, current year initiatives, and hot line and fraud activity. He stated that the outstanding audit issues relative to the Uniform Guidance Audit would be incorporated into the 2019 plan and included in the six-month follow-up report.

The following motion was made by Trustee Edelblut, duly seconded, discussed, and approved with no votes abstained or dissenting.

***VOTED**, on recommendation of the Chancellor, that the proposed Internal Audit Plan for CY2019 be approved.*

IV. Items for Committee Consideration and Discussion

A. Semi-Annual Update on Title IX Compliance

Campus Title IX coordinators, Tiffany Doherty, Jeffrey Maher, Donna Marie Sorrentino, and Janette Wiggett, presented a consolidated mid-year update on the status and statistics of sexual misconduct disclosures and adjudications systemwide. The differences between criminal and campus processes were described, the latter of which more broadly seeks to prevent or remedy violations of policy that may include violations of law.

Chairman Black praised the Title IX working group and expressed appreciation for their work.

B. Other Items

1. Review Status of Outstanding Audit Issues

Mr. Jain reviewed the semi-annual report on the status of outstanding audit issues. The committee discussed processes guiding risk level escalation for issues, which are not being addressed. Unaddressed issues will be escalated by Internal Audit to Admin Board via USNH Vice Chancellor for Financial Affairs and Treasurer.

2. Internal Audit Charter Review

Chair Black called attention to the committee charter included in the meeting materials and invited questions or suggestions for improvement; none were offered.

V. Non-Public Session

At 11:48 AM, on motion of Trustee Edleblut and duly seconded, the Audit Committee by roll call vote unanimously approved the following motion:

***VOTED**, that the Audit Committee go into non-public session for the purpose of discussing: (1) matters which if discussed in public would likely affect adversely the reputation of a person or persons, who are not members of this committee, (2) consideration of pending claims or litigation, and (3) consultation with legal counsel as authorized by RSA 91-A:2, I(b) and 3, II(c) and (e).*

Upon a motion to exit nonpublic session, made by Chairman Black, duly seconded and approved, the public session reconvened at 12:31 p.m.

Chair Black announced that no decisions were made nor votes taken while in nonpublic session.

VI. Other Business

There being no further business, the meeting adjourned at 12:32 p.m.

-- End of Audit Committee Meeting Minutes --