



Board of Trustees

Audit Committee

April 22, 2025

Minutes

1:00 p.m.

President's Boardroom, Horace Mann Center

A live stream of the meeting for public viewing will also take place at the following link: <https://www.westfield.ma.edu/live>

Committee Members Present: Committee Chair Theresa Jasmin, Secretary Michael O'Rourke, Trustees Melissa Alvarado and Tessa Lucey.

Participating Remotely: Vice Chair William Reichelt and Trustee Gloria Williams

Also present and participating were Westfield State University President, Dr. Linda Thompson; Board Chair Ali Salehi; Vice President for Administration and Finance, Stephen Taksar; Associate Vice President of Financial Accounting, Lisa Freeman; and Director of Emergency Response and Risk Management, Sam Lemanski.

Committee Chair Theresa Jasmin called the meeting to order at 1:00 p.m. conducted a roll call of committee members, and stated the meeting was being livestreamed and recorded.

Approval of Prior Meeting Minutes

MOTION made by Trustee Lucey second by Trustee O'Rourke to approve the meeting minutes of February 20, 2025. A roll call was completed. **Motion passed unanimously.**

Engagement of Financial Audit Services for FY25

- Associate Vice President of Financial Accounting, Lisa Freeman provided the engagement letters outlining services for the upcoming year end audits.
 - For the year-end audit of the financial statements—including an audit of the schedule of expenditures of federal awards, compliance with laws and regulations, and major program compliance—proposed base audit fees are \$88,500, a 3% increase over last year.
 - An audit of Massachusetts financial aid programs is required this year at a cost of \$6,000; last audit was in FY22.
- WithumSmith & Brown, PC's peer review audit is attached to the engagement letters for the Committee's review.
- This is the second renewal year of the contract, the last year of the contract.
 - In a consortium bid with other state universities and community colleges for future years.

MOTION made by Trustee O'Rourke seconded by Trustee Lucey, the Audit Committee recommends approval to the full Board: To engage the financial audit services of WithumSmith & Brown, PC, for FY25. A roll call was completed. Trustee Currier abstained, **Motion passed**.

Enterprise Risk Management Update

- The University had embarked on an enterprise risk management program a few years ago, which was put on hold but reinvigorated last year.
- The Cabinet evaluated the top risks to the University and created a top 10 list.
 - A prioritization matrix with a point scale was then used to assess the likelihood and impact of each risk.
 - The results of the matrix determined the top three risks that will be focused on this year: cybersecurity, deferred maintenance, and enrollment.
- Sam Lemanski, Director of Emergency Planning and Risk Management, who is overseeing the University's enterprise risk management efforts, provided an update.
- A finalized report will be delivered in June, seeking feedback and questions about next steps.

Top Three Risks

- Cybersecurity:
 - Three sub-risks: access management, patch management, and perimeter defense, led by Alan Blair, Assistant Vice President of Information and Instructional Technology.
- Deferred Maintenance:
 - Concerns for civil infrastructure, critical building systems, renovation, and decarbonization projects, led by Tom Therien, Associate Vice President of Facilities & Capital Planning.
- Enrollment and Retention:
 - Focus on strategic response to demographic shifts, led by Vice President of Enrollment and Student Affairs, Kevin Hearn.

Cybersecurity

- A one-page summary is in the cyber packet, with key areas of risk identified and actions to mitigate them.
- Strategies to prevent university assets from cyber intrusions are being developed.

Deferred Maintenance

- Civil infrastructure strategy addresses aging back-end utilities.
- Many buildings need significant system upgrades.
- Collaborating with state entities (Division of Capital Asset Management and Maintenance (DCAM) and Massachusetts State College Building Authority (MSCBA) to access funding.
- The President and others met with Legislators to advocate for reinvestment in alternative housing strategies.
- The BRIGHT Act is still in the legislative process, which could provide financial allocations to campuses.
- President Thompson added the following regarding advocacy for addressing deferred maintenance:
 - Lammers Hall is being considered for graduate student housing.
 - Representative Michael Finn and Senator John Velis are supporting this legislation.
 - The President asked for the Board's help to seek support for funding with elected officials.
 - The Chair stated that the Board is willing to advocate for the University's needs, including direct engagement with the House and Senate. Infrastructure is critical to the University's future success.

Enrollment and Retention

- The State has awarded \$1.5 million to jump-start a program to address enrollment issues.
- Vice President Hearn provided a summary of projected deposits for the coming year.

Internal Audit Review

Audit Tracker Report

- The audit tracker report is compiled by the University to track progress toward resolving the findings of the internal audits conducted by Boston Consortium.
 - There have been two internal audits reported on to date: student accounts audit and the grants audit.
 - The findings include items related to internal controls as well as suggestions on best practices.
 - Notes and updates are being compiled as progress is made towards particular findings, which are coded in terms of status.
- A major initiative that was completed to help advance progress on the findings of the grants audit is the recent hire of an Executive Director of Grants and Sponsorships, Tamara Fricke.
 - There has been significant progress in the last three months, with more progress expected in terms of policies, practices, organization, structure, and tracking.
- In the student accounts area, there are plans for a tag team process in conjunction with Academic Affairs.
 - Huron has been contracted to produce a data warehouse or data lake, with the first order of focus being to get the student data up and running on the academic side.
 - The plan is to bring different modules up at different times, eventually including all data elements of the University.

Additional Audits and KPIs

- New audits are coming online, including a security audit and a payables audit that has recently launched.
 - Findings from these audits will be added to the tracker.
- There is encouragement to continue focusing on addressing the findings from all audits, as they represent weaknesses in internal control or inefficiencies.
- It was suggested that the audit tracking report is a prime area for KPIs and performance metrics.

Annual Charter Review

- A reminder that the Audit Committee charter needs to be reviewed annually.
 - A version with minor changes is included in the materials.
 - Committee members are asked to review and provide feedback for review and vote at the next meeting.

Adjournment

There being no further business, **MOTION** made by Trustee Lucey and seconded by Trustee O'Rourke to adjourn the meeting. There being no discussion, **motion passed unanimously**. Meeting adjourned at 1:23 p.m.

Attachment(s):

- a. Minutes 2-20-25 (Draft)
- b. Motion – Engagement of Financial Audit Services for FY25
- c. Engagement of Financial Audit Services (Financial Statements)
- d. Engagement of Financial Audit Services (MOSFA Audit)
- e. Enterprise Risk Management Update
- f. Audit Tracker
- g. Audit Committee Charter

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Westfield State University Board of Trustees, Audit Committee meeting held on April 22, 2025.

Michael O'Rourke, Secretary

Date