

**UNIVERSITY OF MASSACHUSETTS  
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**MINUTES OF THE MEETING OF THE  
AUDIT COMMITTEE**

**Wednesday, September 10, 2014; 9:00 a.m.  
Amherst Room  
225 Franklin Street – 33<sup>rd</sup> Floor  
Boston, Massachusetts**

**Committee Members Present:** Vice Chair Woolridge; Trustees Buonomo and Collins; Chairman Thomas

**Committee Members Absent:** Chair Furman and Trustee Campbell

**University Administration:** President Caret; General Counsel Heatwole; Chancellors Subbaswamy, Motley, Grossman, Meehan and Collins; Director of Internal Audit David; Internal Audit Senior Manager McCormick

**Documents Used:** -June 11, 2014 meeting minutes  
-Internal Audit Update, Doc. T14-045

Vice Chair Woolridge convened the meeting at 10:24 a.m. and stated that the Committee had been provided with draft minutes for the June 11, 2014 meeting and asked for any corrections. With no corrections, the minutes were approved.

Vice Chair Woolridge reviewed the agenda.

**Report by the Director of Internal Audit:**

Mr. David provided the Committee with a brief summary of Fiscal Year 2014 Internal Audit activities. He highlighted the Audit Plan's completion percentage; audits that are in process and those completed; audit observations; and the status of management's action plans. He stated that the progress against the Audit Plan was adversely impacted by unexpected staff vacancies and ad-hoc engagements. He then provided examples of the types of audits in process around the University. In addition, Mr. David provided highlights of certain engagements his team completed.

Mr. David then reported on the status of management's action plans and noted how many were opened and closed during Fiscal Year 2014. He then noted that Internal Audit provides campus management and the President with a quarterly listing of open and overdue action plans and that the number of overdue action plans has dropped significantly year-over-year.

Mr. McCormick then discussed the types of observations reported during the year and provided examples. He went on to discuss Internal Audit's methodology for ranking the level of

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risk a reported observation poses to the University. He described the risk rankings that are utilized, the assessment process and broke down the observations by ranking.

Mr. David then reported on external audit activities. He went on to highlight the types of audits that are underway. He noted that for year ended June 30, 2014 UHealth Solutions, Inc., a subsidiary of Worcester City Campus Corporation (“WCCC”), will be audited as part of WCCC instead of a standalone audit. He also provided a high-level summary of construction audits commissioned by the University of Massachusetts Building Authority, including the audit firms involved and status of the audits. A short discussion followed among the Committee members about the construction audits.

Chair Thomas inquired about a Title IX audit conducted at the University by external auditors. Discussion ensued.

Trustee Buonomo inquired about the completion percentage of the Fiscal Year 2014 Audit Plan, the workload, and Internal Audit resources. Mr. David and Mr. McCormick responded.

Vice Chair Woolridge then asked the Committee to vote to enter into **Executive Session** pursuant to Chapter 30A, Section 21(a)(5), and under Section 21(a)(7) to comply with the provisions of another general law, specifically: General Law Chapter 66A, General Law Chapter 214, Section 1B, and General Law Chapter 4, Section 7, (26)(c) and (f) to maintain the confidentiality of the personnel matters that will be discussed and for the **Consideration of prior Executive Session minutes.**

It was moved and seconded and the Secretary called the roll with each Trustee asked to vote yes or no to enter into Executive Session for the purposes listed. Vice Chair Woolridge voted for the motion as did Trustees Buonomo, Collins, and Chairman Thomas.

The time was 10:51 a.m.

Kate Wilkinson  
Staff Assistant