

**UNIVERSITY OF MASSACHUSETTS  
AMHERST•BOSTON•DARTMOUTH•LOWELL•MEDICAL SCHOOL•UMASSONLINE**

**MINUTES OF THE MEETING OF THE  
AUDIT COMMITTEE**

**Wednesday, September 9, 2015; 10:00 a.m.  
Amherst Room  
225 Franklin Street – 33<sup>rd</sup> Floor  
Boston, Massachusetts**

**Committee Members Present:** Chair Furman; Trustees Buonomo and Campbell; Chairman Woolridge

**Other Trustees:** Trustee Fubini; Ms. Lipper (representing Trustee Peyser)

**Committee Members Absent:** Vice Chair Collins

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

**Documents Used:** -Meeting Minutes: April 1, 2015 (Executive Session)  
-Meeting Minutes: June 10, 2015 (Open Session)  
-Internal Audit Update, Doc. T15-078

Chair Furman convened the meeting at 11:04 a.m. and stated that the Committee had been provided with a copy of the minutes of the April 1, 2015 Executive Session and minutes of the June 10, 2015 meeting and asked for any corrections. With no corrections, the minutes were approved.

Chair Furman announced that management has reviewed the minutes and has decided that the April 1, 2015 executive session minutes will remain confidential and not be disclosed to the public to comply with General Law Chapter 30A, Section 22(f), which allows for withholding from public disclosure meeting minutes when releasing them may defeat the lawful purposes of the executive session. She noted that management periodically reviews executive session minutes to determine if continued non-disclosure is warranted.

Chair Furman then outlined the agenda.

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

Mr. David provided the Committee with a summary of Fiscal Year 2015 Internal Audit activities. He highlighted the status of the Audit Plan; audits that are in process and those completed; audit observations; and the status of management's action plans. He went on to discuss the impact staff vacancies had on Audit Plan progress and how resources were reallocated to compensate and maintain momentum. He also noted the progress made toward

**Audit Committee  
September 9, 2015**

filling the vacancies. Trustee Buonomo asked about strategies that could be used to supplement Internal Audit resources when there are staff vacancies and if there are firms that can provide such resources. Mr. David commented that there are firms that provide temporary internal audit resources and discussion ensued. Chair Furman then asked how Internal Audit can benchmark itself regarding indicators like productivity and staffing levels. Mr. David indicated that he has benchmarked certain indicators, including staff size, and that he would continue to research other benchmarks.

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 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. He also discussed year-over-year audit reporting activity and noted that audit productivity remained steady.

Mr. David went on to provide a status of external audit activity. He highlighted the types of audits that are underway and noted that the number of external audits in process is normal for this time of year since many are annual fiscal year-end audits.

Chair Furman then asked the Committee to vote to enter into **Executive Session** for an update on on-going investigation pursuant to General Law Chapter 30A, section 21(a)(5).

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. Chair Furman voted for the motion as did Trustees Buonomo and Campbell. Chairman Woolridge also voted for the motion.

The time was 11:36 a.m.

Zunilka Barrett  
Secretary to the Board of Trustees