Vice Chair Woolridge convened the meeting at 10:17 a.m. and stated that the Committee had been provided with draft minutes for the June 12, 2013 meeting and asked for any corrections. With no corrections, the minutes were approved.

Vice Chair Woolridge welcomed Director of Internal Audit David and Internal Audit Senior Manager McCormick and outlined the agenda.

**Report by the Director of Internal Audit:**
Mr. David provided the Committee with a status of audit activities during Fiscal Year 2013 where he highlighted the Audit Plan’s completion percentage; the increase in ad-hoc and investigative projects performed; audits that are in process and those completed; audit observations; and the status of management action plans. He then provided examples of the types of audits in process around the University, including Network Access at UMass Lowell, ProCard at UMass Amherst, and the University-wide Chief Executive Officer Compensation review. In addition, Mr. David provided highlights of the Chancellors Transition reviews at the Amherst and Dartmouth campuses. He noted that overall, the reviews went well, there were recommendations made to enhance certain processes and controls within the Chancellors’ offices and executive management takes its responsibility as stewardship of University resources and funds very seriously.
Mr. David then reported on the status of management’s action plans and noted that during Fiscal Year 2013, 75 action plans were implemented and 81 remain open. He added that 83% of the action plans that remain open are on-track for a timely completion. He then summarized the areas affected by the open action plans and that Internal Audit provides campus management and the President with a quarterly listing of open and overdue action plans to increase awareness and promote more timely completion.

Mr. David then briefly discussed the types of observations identified during Fiscal Year 2013. Trustee Buonomo asked Mr. David how he would rank the observations reported by Internal Audit and added that it is important to be tough on ourselves in order to provide for the opportunity to correct issues. Discussion ensued.

Mr. David then reported on external audit activities, noting that 22 external audits were underway of which more than half were annual financial statement audits.

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 personnel matter that will be discussed.

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 those purposes listed. Vice Chair Woolridge voted for the motion as did Trustees Buonomo, Campbell and Collins.

The time was 10:32 a.m.

Kate Wilkinson
Staff Assistant