

**SPECIAL MEETING OF THE
AUDIT COMMITTEE**
Connecticut State Colleges and Universities
Board of Regents for Higher Education
39 Woodland Street
Hartford, Connecticut

Wednesday, December 17, 2013, at 1:00 p.m.
VIA TELECONFERENCE
Originating from Room 209

Minutes

REGENTS PRESENT

Craig Lappen, Chair
Michael Pollard
Nick Donofrio

BOR/CONNSCU STAFF PRESENT

Erika Steiner, Chief Financial Officer; Karen Stone, Internal IT Auditor; Ray Yirga, Director of Accounting & Finance; Susan Grant, Senior Finance Officer; Rosalie Butler, Administrative Assistant for Finance

MARCUM LLP STAFF PRESENT

Michael Brooder, Partner
James Miller, Senior Manager

PWC STAFF PRESENT

Shannon Smith, Managing Director, (for CCCs); James Beyer, Managing Director (for CSUs); Steve Manocchio, IT Director; Heather Lashway, Auditor

With a quorum present, the meeting was called to order at 1:15 p.m.

1. Minutes of the September 17, 2013 special meeting

The minutes of the September 17, 2013 meeting were unanimously approved, as written.

2. Presentation by O'Connor & Drew P.C. – Audit of Charter Oak State College and Connecticut Distance Learning Consortium for the Fiscal Year ended June 30, 2012

Cliff Williams, CFO, Charter Oak State College
Lawrence Wilkinson, Director of Finance, Charter Oak State College
Steve Cohen, Principal, O'Connor & Drew P.C.

Mr. Cohen provided Committee members with an overview of the audit of Charter Oak State College and Connecticut Distance Learning Consortium for FY2013. They indicated they had been given full and complete access to the books, records and staff. O'Connor and Drew will issue an unmodified or "clean" opinion for FY13, with two recommended adjustments and no findings of either material control weaknesses or significant deficiencies.

Acceptance of the FY2013 Financial Statements for Charter Oak State College and the Connecticut Distance Learning Consortium was unanimous. Motion, Donofrio: Second, Pollard.

Messrs. Williams, Wilkinson and Cohen left the meeting.

3. Presentation by Marcum, LLP –Audit of Project Expenditures of CSUS 2020 during the Fiscal Year ended June 30, 2013: Michael Brooder, Partner; James Miller, Senior Accountant

Messrs. Brooder and Miller provided Committee members with an overview of their audit of CSUS 2020 Project Expenditures for FY2013. They indicated they had been given full and complete access to the books, records, staff and management at both the System Office, DPS and the four universities. Marcum staff will issue an unmodified or "clean" opinion, with no recommended adjustments and no findings of either material control weaknesses or significant deficiencies.

Acceptance of the Audit of CSUS 2020 Project Expenditures for FY2013 was unanimous. Motion, Donofrio: Second, Lappen.

Marcum Staff left the meeting at 10:25 a.m.

3. Overview of CSU/CCC Financial Statements/Highlights

CFO Steiner provided Regents with a high-level overview of the FY2013 Financial Statements for the Connecticut State Universities and Community Colleges and the impact of major facilities activity at the campuses, enrollment trends, employee retirement plan conversions and the *ExcelCT* strategic plan.

4. Presentation by PricewaterhouseCoopers LLP – FY2012 Financial Statements and Management Letters for the Connecticut State Universities and Community Colleges: Steven Manocchio, Risk Assurance Director; James Beyer, Senior Manager; Shannon Smith, SeniorManager

PricewaterhouseCoopers staff provided Regents with a detailed overview of FY2013 Financial Statements, Management Letters and other required communications for the Connecticut State Universities and Community Colleges. An unmodified opinion has been issued on the financial statements. There were no material weaknesses or significant deficiencies.

The FY2013 Financial Statements, Management Letter and Required Communications were unanimously accepted on a motion by Regent Donofrio, seconded by Regent Lappen.

5. Internal Audit Update

Director Stone reported on the Financial Aid Audit at Manchester Community College and the status of open comments on which IA staff is currently following up. She also presented a new Internal Audit Plan, which was revised upon the hiring of two new staff members.

On a motion by Regent Donofrio, seconded by Regent Pollard, the meeting was adjourned at 3:00 PM.