

**Meeting of the  
Audit Committee**  
Connecticut State Colleges and Universities  
61 Woodland Street  
Hartford, CT  
Tuesday, June 11, 2019 @ 10:00

**MINUTES**

**Regents Present**

Elease Wright, Chair  
JoAnn Ryan – (via telephone)

**Regents Absent**

Aviva Budd

**BOR Staff Present**

Ben Barnes, Chief Financial Officer  
Chris Forster, Controller  
Michael Moriarty, CFO Charter Oak College

**Guests**

Claire Esten, Brian Hopkins, Dave Murphy – Grant Thornton

*With a quorum present, Chair Wright called the meeting to order at 10:05 a.m.*

**1. Approval of the Minutes of December 11, 2018**

*Motioned by Regent Wright, seconded by Regent Ryan, the minutes of the December 11, 2018 meeting were approved as submitted.*

**2. Controller Update**

**a. Organizational Changes**

CFO Barnes announced the organizational changes that have recently occurred in the System Office Finance Department. Regina Ferrante, Director of Finance and Accounting, recently returned to her prior position at Manchester Community College. In lieu of filling this position, a Controller will be hired. Chris Forster, who currently serves as Controller, will assume another role within the organization. Chris will continue to serve in the role as Controller until a successor is hired. An additional position within the Finance Department continues to remain vacant at this time.

Melissa Schwalbach, Assistant Counsel/Compliance Officer, who served a dual role for the Office of Legal Affairs and Finance Department, has also departed the System Office. The Office of Legal Affairs is in the process of recruiting for this position. It is anticipated that the individual hired will continue to serve in a dual capacity, providing support for operational and financial compliance matters for the Finance Department.

#### **b. APA Audits**

Chris Forster highlighted the Auditors' Report prepared for Eastern Connecticut State University for fiscal years ending 2014, 2015 and 2016. The Auditors' findings and recommendations were reviewed. Recommendations were rendered for the following areas requiring attention:

- Information System Disaster Recovery Plan
- Lack of Defined Eligibility Criteria for summer program
- Incorrect Student Employee Paid Sick Leave Records
- Documentation of equipment disposal
- Late termination of Banner information system access
- Lack of rental agreement for rental of Groton campus facilities

### **3. Introduction of CSCU 2020 Auditors, CohnReznick**

One of the Auditing Committee's responsibilities is to approve the appointment of independent, external auditors. BlumShapiro has served in the capacity as auditors for the CSCU 2020 program for the past five years. In accordance with State statutes, auditors are appointed for five consecutive years and cannot be reappointed at the expiration period.

A request for proposals was conducted, and proposals were reviewed to identify a new auditing firm. Management recommended the firm of CohnReznick due to their best value proposal to succeed BlumShapiro as the CSCU 2020 auditors.

*Motioned by Regent Wright, seconded by Regent Ryan, the appointment of CohnReznick as CSCU 2020 auditor was unanimously approved.*

### **4. Internal Control Audit – GrantThornton**

Representatives of Grant Thornton, Claire Esten, Partner, Dave Murphy and Brian Hopkins, reviewed the 2019 Audit Planning outline for the Connecticut State Colleges and Universities. The audit timeline began in April with the client's reacceptance and issuing of engagement letter, and continues through December with the final fieldwork and deliverables. The Materiality of the report was discussed regarding the Great Path Academy Magnet School and the recommendation to change the terms of magnet school reporting mechanism by the year 2020. Significant risks and other areas of focus and technology support as part of the audit process

were also discussed. There is no awareness of fraud within the System. Management and the Committee are requested to report any known fraud.

## **5. Internal Control Audit**

CFO Barnes commented that the report is a useful starting point given the change in the workforce, pension agreement and organizational changes. A review will be conducted during the summer before Grant Thornton begin their work.

*With no other business to discuss, the meeting adjourned at 10:37 a.m. on motion of Regent Wright, seconded by Regent Ryan.*