



## Board of Trustees

### Audit Committee

April 22, 2025

Minutes

1:00 p.m.

President's Boardroom, Horace Mann Center

A live stream of the meeting for public viewing will also take place at the following

link: <https://www.westfield.ma.edu/live>

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**Committee Members Present:** Committee Chair Theresa Jasmin, Secretary Michael O'Rourke, Trustees Melissa Alvarado and Tessa Lucey.

**Participating Remotely:** Vice Chair William Reichelt and Trustee Gloria Williams

Also present and participating were Westfield State University President, Dr. Linda Thompson; Board Chair Ali Salehi; Vice President for Administration and Finance, Stephen Taksar; Associate Vice President of Financial Accounting, Lisa Freeman; and Director of Emergency Response and Risk Management, Sam Lemanski.

Committee Chair Theresa Jasmin called the meeting to order at 1:00 p.m. conducted a roll call of committee members, and stated the meeting was being livestreamed and recorded.

### Approval of Prior Meeting Minutes

**MOTION** made by Trustee Lucey second by Trustee O'Rourke to approve the meeting minutes of February 20, 2025. A roll call was completed. **Motion passed unanimously.**

### Engagement of Financial Audit Services for FY25

- Associate Vice President of Financial Accounting, Lisa Freeman provided the engagement letters outlining services for the upcoming year end audits.
  - For the year-end audit of the financial statements—including an audit of the schedule of expenditures of federal awards, compliance with laws and regulations, and major program compliance—proposed base audit fees are \$88,500, a 3% increase over last year.
  - An audit of Massachusetts financial aid programs is required this year at a cost of \$6,000; last audit was in FY22.
- WithumSmith & Brown, PC's peer review audit is attached to the engagement letters for the Committee's review.
- This is the second renewal year of the contract, the last year of the contract.
  - In a consortium bid with other state universities and community colleges for future years.

**MOTION** made by Trustee O'Rourke seconded by Trustee Lucey, the Audit Committee recommends approval to the full Board: To engage the financial audit services of WithumSmith & Brown, PC, for FY25. A roll call was completed. Trustee Currier abstained, **Motion passed**.

### **Enterprise Risk Management Update**

- The University had embarked on an enterprise risk management program a few years ago, which was put on hold but reinvigorated last year.
- The Cabinet evaluated the top risks to the University and created a top 10 list.
  - A prioritization matrix with a point scale was then used to assess the likelihood and impact of each risk.
  - The results of the matrix determined the top three risks that will be focused on this year: cybersecurity, deferred maintenance, and enrollment.
- Sam Lemanski, Director of Emergency Planning and Risk Management, who is overseeing the University's enterprise risk management efforts, provided an update.
- A finalized report will be delivered in June, seeking feedback and questions about next steps.

### Top Three Risks

- Cybersecurity:
  - Three sub-risks: access management, patch management, and perimeter defense, led by Alan Blair, Assistant Vice President of Information and Instructional Technology.
- Deferred Maintenance:
  - Concerns for civil infrastructure, critical building systems, renovation, and decarbonization projects, led by Tom Therien, Associate Vice President of Facilities & Capital Planning.
- Enrollment and Retention:
  - Focus on strategic response to demographic shifts, led by Vice President of Enrollment and Student Affairs, Kevin Hearn.

### Cybersecurity

- A one-page summary is in the cyber packet, with key areas of risk identified and actions to mitigate them.
- Strategies to prevent university assets from cyber intrusions are being developed.

### Deferred Maintenance

- Civil infrastructure strategy addresses aging back-end utilities.
- Many buildings need significant system upgrades.
- Collaborating with state entities (Division of Capital Asset Management and Maintenance (DCAM) and Massachusetts State College Building Authority (MSCBA) to access funding.
- The President and others met with Legislators to advocate for reinvestment in alternative housing strategies.
- The BRIGHT Act is still in the legislative process, which could provide financial allocations to campuses.
- President Thompson added the following regarding advocacy for addressing deferred maintenance:
  - Lammers Hall is being considered for graduate student housing.
  - Representative Michael Finn and Senator John Velis are supporting this legislation.
  - The President asked for the Board's help to seek support for funding with elected officials.
  - The Chair stated that the Board is willing to advocate for the University's needs, including direct engagement with the House and Senate. Infrastructure is critical to the University's future success.

### Enrollment and Retention

- The State has awarded \$1.5 million to jump-start a program to address enrollment issues.
- Vice President Hearn provided a summary of projected deposits for the coming year.

### **Internal Audit Review**

#### Audit Tracker Report

- The audit tracker report is compiled by the University to track progress toward resolving the findings of the internal audits conducted by Boston Consortium.
  - There have been two internal audits reported on to date: student accounts audit and the grants audit.
  - The findings include items related to internal controls as well as suggestions on best practices.
  - Notes and updates are being compiled as progress is made towards particular findings, which are coded in terms of status.
- A major initiative that was completed to help advance progress on the findings of the grants audit is the recent hire of an Executive Director of Grants and Sponsorships, Tamara Fricke.
  - There has been significant progress in the last three months, with more progress expected in terms of policies, practices, organization, structure, and tracking.
- In the student accounts area, there are plans for a tag team process in conjunction with Academic Affairs.
  - Huron has been contracted to produce a data warehouse or data lake, with the first order of focus being to get the student data up and running on the academic side.
  - The plan is to bring different modules up at different times, eventually including all data elements of the University.

#### Additional Audits and KPIs

- New audits are coming online, including a security audit and a payables audit that has recently launched.
  - Findings from these audits will be added to the tracker.
- There is encouragement to continue focusing on addressing the findings from all audits, as they represent weaknesses in internal control or inefficiencies.
- It was suggested that the audit tracking report is a prime area for KPIs and performance metrics.

### **Annual Charter Review**

- A reminder that the Audit Committee charter needs to be reviewed annually.
  - A version with minor changes is included in the materials.
  - Committee members are asked to review and provide feedback for review and vote at the next meeting.

### **Adjournment**

There being no further business, **MOTION** made by Trustee Lucey and seconded by Trustee O'Rourke to adjourn the meeting. There being no discussion, **motion passed unanimously**. Meeting adjourned at 1:23 p.m.

**Attachment(s):**

- a. Minutes 2-20-25 (Draft)
- b. Motion – Engagement of Financial Audit Services for FY25
- c. Engagement of Financial Audit Services (Financial Statements)
- d. Engagement of Financial Audit Services (MOSFA Audit)
- e. Enterprise Risk Management Update
- f. Audit Tracker
- g. Audit Committee Charter

**Secretary's Certificate**

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Westfield State University Board of Trustees, Audit Committee meeting held on April 22, 2025.

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Michael O'Rourke, Secretary

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Date