

**AUDIT COMMITTEE
BOARD OF TRUSTEES
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

A meeting of the Audit Committee of the Board of Trustees of the University of Vermont and State Agricultural College was held on July 8, 2019, at 10:00 a.m. in room 427A Waterman Building.

MEMBERS PRESENT: Chair Bernard Juskiewicz, Vice Chair Shap Smith, Otto Berkes*, David Gringeri*, and Ed Pagano*

MEMBERS ABSENT: David Aronoff and Curt McCormack

OTHER TRUSTEES PRESENT: Board Chair David Daigle**

REPRESENTATIVES PRESENT: Staff Representative Mindy Kear, and Graduate Student Representative Aayudh Das

REPRESENTATIVES ABSENT: Faculty Representative Barbara Arel, Student Representative Jared Percoco, Vermont State Auditor Douglas Hoffer, and Alumni Representative (appointment pending)

PERSONS ALSO PARTICIPATING: President Suresh Garimella, Chief Information Officer Simeon Ananou, Vice President for Finance and Treasurer Richard Cate, Chief Internal Auditor William Harrison, Vice President for Legal Affairs and General Counsel and Senior Advisor to the President Sharon Reich Paulsen, University Controller Claire Burlingham, Chief Risk & Public Safety Officer Al Turgeon, Information Security Officer Mark Ackerly, Director of System Architecture and Administration Mike Austin, and Renee Bourget-Place and Sara Timmerman of KPMG

*Participated via phone.

**Joined the meeting at 10:08 a.m. and participated via phone.

Chair Bernard Juskiewicz called the meeting to order at 10:00 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the April 8, 2019, meeting minutes.

Fiscal Year (FY) 2019 Financial Statement/Uniform Guidance Audit Status Report

KPMG Lead Audit Engagement Partner, Renee Bourget-Place, provided a brief status report on the FY 2019 financial statement and Uniform Guidance audits. Ms. Bourget-Place reported that KPMG has begun their interim audit procedures for the financial statement audit and no issues of note have been identified. With respect to the Uniform Guidance audit, KPMG will be testing the

Student Financial Aid cluster and has begun their interim procedures. Thus far, no findings have been identified.

Compliance Interim Report

Chief Internal Auditor Bill Harrison provided an interim report on Compliance and Privacy Program activity since the January 2019 Audit Committee meeting. Mr. Harrison began by providing a work plan status report and summary of the office's work on its work plan items. Mr. Harrison then outlined the office's activities as they relate to the Seven Elements of an Effective Compliance Program as outlined by the Federal Sentencing Guidelines to which the University's Compliance Program is modeled.

Mr. Harrison finished his presentation with an overview of the updated reporting structure for how information related to observations, consultations, and data incidents is provided to the Committee.

Voice Communication Systems Reliability (*Enterprise Risk Management Risk (ERM) #3 Update*)

CIO Simeon Ananou offered an update on the ERM Voice Communications Systems Reliability risk. Dr. Ananou reported that Enterprise Technology Services (ETS) had completed the review of two pilot solutions for the replacement of the University's outdated phone system and concluded that the University is in a position to implement Cisco Voice over Internet Protocol (VoIP) for its phone service as well as Microsoft collaboration tools for other types of modern communication. Campus-wide implementation will begin this summer. The current phone system, however, will need to remain in place until the basic network infrastructure and wiring in 27 buildings on campus is upgraded to accommodate the new communications technology.

Executive Session

At 10:47 a.m., Chair Juskiewicz entertained a motion to enter into executive session for the purpose of discussing: confidential attorney client communications; security measures, the premature public knowledge of which would clearly place the University at a substantial disadvantage; and the evaluation of a public officer or employee.

For the first item, all in attendance were excused from the meeting, with the exception of Trustees, President Suresh Garimella, Vice President for Finance and Treasurer Richard Cate, Chief Internal Auditor Bill Harrison, Vice President for Legal Affairs and General Counsel and Senior Advisor to the President Sharon Reich Paulsen, and University Controller Claire Burlingham.

For the second item, Chief Information Officer Simeon Ananou, Information Security Officer Mark Ackerly, and Director of System Architecture and Administration Mike Austin joined the meeting. University Controller Claire Burlingham was excused.

For the final item, all were excused except the Trustees and President Suresh Garimella.

Adjournment

There being no further business, the meeting was adjourned at 11:48 p.m.

Respectfully submitted,

Chair Bernard Juskiewicz