A meeting of the Audit Committee of the Board of Trustees of the University of Vermont and State Agricultural College was held on July 13, 2020 at 10:00 a.m. The meeting was held via remote conferencing due to the COVID-19 pandemic.

MEMBERS PRESENT: Chair Shap Smith, Vice Chair Jodi Goldstein, David Aronoff, Curt McCormack, Ed Pagano, and Berke Tinaz

MEMBERS ABSENT: Otto Berkes

OTHER TRUSTEES PRESENT: Board Chair Ron Lumbra

REPRESENTATIVES PRESENT: Faculty Representative Barbara Arel, Staff Representative Mindy Kear, and Graduate Student Representative Jaspreet Singh Nagi

REPRESENTATIVES ABSENT: Vermont State Auditor Douglas Hoffer, Alumni Representative (appointment pending), and Student Representative (appointment pending)

PERSONS ALSO PARTICIPATING: President Suresh Garimella, Vice President for Finance and Administration Richard Cate, Vice President for Operations and Public Safety Gary Derr, Chief Internal Auditor Bill Harrison, Director of Compliance Services and Chief Privacy Officer Tessa Lucey, Chief Risk & Public Safety Officer Al Turgeon, Senior Administrative Analyst and Planner Vikki Gauvin*, Special Assistant to the Chief of Staff Erin Dickinson, and Renee Bourget-Place and Sara Timmerman of KPMG

*Joined the meeting at 10:45 a.m.

Chair Shap Smith called the meeting to order at 10:00 a.m. He began by welcoming graduate student representative Jaspreet Singh Nagi to the committee.

Approval of minutes

A motion was made, seconded and voted to approve the April 6, 2020, meeting minutes.

Fiscal Year (FY) 2020 financial statement/Uniform Guidance audit status report

KPMG Lead Audit Engagement Manager Sara Timmerman provided a brief status report on the FY 2020 financial statement and Uniform Guidance audits. Ms. Timmerman reported that KPMG has completed most of 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 research and development and Medicaid clusters. They have begun their interim procedures and, thus far, no findings have been identified. In conclusion, Ms. Timmerman noted
that KPMG has been able to successfully work on the audits remotely during the COVID-19 pandemic.

Higher education industry update

KPMG Lead Audit Engagement Partner Renee Bourget-Place focused her presentation on the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the allocation that the university received through the Higher Education Emergency Relief Fund. Ms. Bourget-Place noted that these funds will be subject to testing under the Uniform Guidance.

Compliance interim report

Director of Compliance Services and Chief Privacy Officer Tessa Lucey provided an interim report on compliance and privacy program activity since the November 2019 Audit committee meeting. Ms. Lucey began by highlighting work plan efforts in the areas of background checks, volunteers, department Title IX reviews, and foreign influence. She discussed the increase in requested consultations that her office is receiving due to the COVID-19 pandemic and changes to the State of Vermont’s data breach reporting notification regulations that may account for a future increase in notifications to the Attorney General’s Office. In closing, Ms. Lucey commended the departments that came together to create the required return-to-campus health and safety training.

Internal audit update

Chief Internal Auditor Bill Harrison offered an overview of internal audit activity as of May 31, 2020, and a summary of audit follow-up activity. He noted that, since his written report, two more requested audits have been added to the work plan.

Chair Smith inquired about steps taken when management is unable to respond to audit recommendations in a timely manner. Mr. Harrison responded that his office works with senior leadership and the Office of General Counsel when action plans are not progressing appropriately. These recommendations, as well as recommendations that management has decided not to address, are brought to the committee’s attention. Vice President for Finance and Administration Richard Cate noted that management’s response to audit recommendations are based on risk and resources.

Update on the enterprise risk management (ERM) biennial risk assessment process

Chief Risk & Public Safety Officer Al Turgeon offered an overview of the biennial risk assessment process. Mr. Turgeon began by reminding the committee that last fall the President, the Board of Trustees and Audit Committee chair approved changing the annual risk assessment to a biennial risk assessment beginning in March 2021.

Next, Mr. Turgeon discussed a number of changes under consideration including the use of a web-based questionnaire and ERM software. In addition, updates to the guide to risk assessment as well as the likelihood and impact scales are necessary. Mr. Turgeon will present his
recommended changes to the committee at its November 2020 meeting and request approval at the winter 2021 Board of Trustees meeting.

**Enhance UVM’s workplace safety culture report (ERM #9 opportunity update)**

Vice President for Operations and Public Safety Gary Derr and Chief Risk & Public Safety Officer Al Turgeon concentrated their workplace safety culture update on the implementation of the LiveSafe app. The LiveSafe app was recommended by the Student Government Association as a mobile two-way safety communications platform and risk mitigation tool for students, employees, and visitors. The app also provides potential cost savings and an opportunity for the University to phase out its aging blue light emergency system. The LiveSafe app is scheduled to go-live in August 2020.

**Executive Session**

At 11:05 a.m., Chair Smith entertained a motion to enter into executive session for the purpose of discussing the appointment or employment or evaluation of a public officer or employee.

All in attendance were excused from the meeting, with the exception of Trustees, President Suresh Garimella, and Special Assistant to the Chief of Staff Erin Dickinson.

The meeting was re-opened to the public at 11:23 a.m.

**Adjournment**

There being no further business, the meeting was adjourned.

Respectfully submitted,

Shap Smith, Chair