

**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 Monday, November 8, 2021, at 10:00 a.m. in room 427A Waterman Building.

MEMBERS PRESENT: Chair Shap Smith, Vice Chair Jodi Goldstein\*, David Aronoff\*, Otto Berkes\*, Berke Tinaz, and Catherine Toll\*

MEMBERS ABSENT: Ed Pagano

OTHER TRUSTEES PRESENT: Board Chair Ron Lumbra\*

REPRESENTATIVES PRESENT: Alumni Representative Susan Higgins\*, Graduate Student Representative Alison Hall\*, Student Representative Zyakkiriah Rhoden, and Vermont State Deputy Auditor Tim Ashe\* (on behalf of Vermont State Auditor Douglas Hoffer)

REPRESENTATIVES ABSENT: Faculty Representative Barbara Arel and Staff Representative Mindy Kear

PERSONS ALSO PARTICIPATING: President Suresh Garimella, Vice President for Finance and Administration Richard Cate\*\*, Chief Internal Auditor Bill Harrison, University Controller Claire Burlingham, Director of Compliance Services and Chief Privacy Officer Tessa Lucey, and Renee Bourget-Place and Sara Timmerman of KPMG

\* Joined by phone

\*\* Departed the meeting at 10:40 a.m.

**Approval of minutes**

A motion was made, seconded, and voted to approve the September 13, 2021, meeting minutes.

**Presentation of the fiscal year (FY) 2021 financial statements**

University Controller Claire Burlingham offered a high-level overview of the annual financial report and was pleased to report that the audit resulted in no material weaknesses, significant deficiencies, or a management findings letter.

Vice President for Finance and Administration Richard Cate and Ms. Burlingham finished their presentation by thanking their team for all their hard work and for eleven straight years with a clean financial statement audit.

## **KPMG report to the Audit Committee**

Lead Audit Engagement Partner Renee Bourget-Place began by explaining KPMG's audit process and how the FY 2021 financial statement audit was performed virtually. Ms. Bourget-Place also reported that, because of the success, certain aspects of the audit process will likely continue to be virtual for future audits.

Next, Ms. Bourget-Place reviewed the results of the financial statement audit. KPMG plans to issue an unmodified audit opinion. There were no matters involving the internal control structure and its operations that they considered to be material weaknesses or significant deficiencies.

Moving on, KPMG Lead Audit Engagement Manager Sara Timmerman walked through the audit areas of emphasis.

Ms. Bourget-Place finished by asking members of the Audit Committee if they have knowledge of fraud, alleged fraud, or suspected fraud affecting UVM. Members present responded no.

## **Acceptance of the FY 2021 audited financial statements**

Chair Smith presented the following resolution recommending the FY 2021 audited financial statements to the Board of Trustees for acceptance.

### **Acceptance of fiscal year 2021 audited financial statements**

WHEREAS, the financial Statements of the University of Vermont and State Agricultural College for the fiscal year ended June 30, 2021, have been audited by KPMG LLP, Certified Public Accountants, in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, the Audit Committee hereby accepts and recommends that the Board of Trustees accept the fiscal year 2021 audited financial statements.

A motion was made, seconded and it was unanimously voted to approve the resolution as presented.

## **Compliance annual update**

At the direction of the committee chair, Director of Compliance Services and Chief Privacy Officer Tessa Lucey began by providing an overview of the Federal Sentencing Guidelines and the Seven Elements of an Effective Compliance Program as outlined by the Federal Sentencing Guidelines. The University's Compliance Program is based on the seven elements and the compliance reports are designed to show program effectiveness to the committee.

Continuing on, Ms. Lucey provided a few highlights from her report. First, she explained how the compliance office continued to focus on the university operations during the coronavirus pandemic. Next, she offered an overview of work plan efforts in the areas of foreign influence, background checks, volunteers, Title IX reviews, and training initiatives. Lastly, Ms. Lucey

informed the committee that, due to a recent reorganization, Compliance and Privacy Services now reports the Vice President for Operations and Public Safety.

In conclusion, Ms. Lucey offered a summary of HelpLine benchmarking and data incidents. Overall, the office has not identified any systemic misconduct or patterns of willful noncompliance for FY 2021.

### **2022 draft internal audit and compliance work plan**

Chief Internal Auditor Bill Harrison and Director of Compliance Services and Chief Privacy Officer Tessa Lucey presented the draft 2022 audit and compliance work plan. Mr. Harrison explained that the plan is risk-based and identifies and prioritizes work activities to address financial, operational, and compliance risks throughout the University. He further explained that change is often likely when new priorities are identified throughout the year.

### **Review the 2021 and 2022 Audit Committee work plans**

Chief Internal Auditor Bill Harrison reviewed the 2021 and 2022 Audit Committee work plans. Starting with the 2021 plan, Mr. Harrison noted that there were no changes other than shifting work plan items to other meetings to accommodate the cancellation of the February 2021 meeting. For now, the 2022 plan mirrors the 2021 plan. Mr. Harrison will be tracking the enterprise risk management risk assessment process and the annual Audit Committee assessment and will notify the committee of any changes to the 2022 work plan.

### **Adjournment**

There being no further business, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

Shap Smith, Chair