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**SUBJECT:** Risk Management and Audit Committee Meeting Report for September 28, 2022

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In accordance with the General Laws of the Commonwealth of Massachusetts, Chapter 30A and An Act Relative to Extending Certain State of Emergency Accommodations, which, among other things, extends the expiration of the provisions pertaining to the Open Meeting Law to March 31, 2023. Specifically, this extension allows public bodies to continue holding meetings remotely without a quorum of the public body physically present at a meeting location, and to provide "adequate, alternative" access to remote meetings. All votes taken during this meeting were by roll call vote.

Present for the Committee: Trustees Russell (chair), Morales (vice chair), Lampassi and Mattera; President Keenan (ex-officio), Vice President House (committee co-liaison), Associate Vice President Labonte (committee co-liaison) and staff associate Beaulieu.

Trustee Russell, committee chair, called the meeting to order at 5:32 pm.

**Annual Clery Report** (Attachment A).

The 2022 Annual Security Report and Fire Safety Report (Clery Act report) for the calendar year 2021 has been transmitted to the campus and the data has been uploaded to the Department of Education web portal for compliance. There are no sharp increases in the crime categories. Offices are proactive in engaging with students and being visible.

**Status of FY22 audit**

The FY22 audit is close to completion and will be presented at the special October 12, 2022 meeting with the auditors in attendance. Preliminary results of the Uniform Guidance report do not reflect any findings. Implementation of the GASB 87 lease pronouncement will make a dramatic impact on the financial statements. Implementing this standard will bring amounts previously considered to be off book debt onto the financial statements as a liability as well as recording a "right to use" asset.

**Committee charter and work plan** (Attachment B, C)

The Risk Management and Audit Committee's charter (Attachment B) and work plan (Attachment C) were included in the package. Any recommendations for the workplan should be directed to Chair Russell.

There being no other business a motion was made to adjourn.

Trustee Mattera **MOVED** that the Risk Management and Audit Committee meeting adjourn **SECONDED** by Trustee Morales.

Voting in the affirmative: Lampassi, Mattera, Morales, Russell

Voting against: None

The meeting adjourned at 5:43 pm.

Prepared by D. Beaulieu, staff associate, finance and facilities

## DEFINITIONS OF REPORTABLE CRIMES

Under the Clery Act, for the purposes of counting and disclosing Criminal Offense, Hate Crime, arrest and disciplinary referral statistics you must do so based on definitions provided by the Federal Bureau of Investigation's (FBI's) Uniform Crime Reporting (UCR) Program. The definitions for Murder, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, Weapons Carrying and Possessing Etc. Law Violations, Drug Abuse Violations, and Liquor Law Violations are from the Summary Reporting System (SRS) User Manual from the FBI's UCR Program. The definitions of Fondling, Incest and Statutory Rape are from the FBI's National Incident-Based Reporting System (NIBRS) Data Collection Guidelines edition of the UCR. Hate Crimes are classified according to the FBI's Uniform Crime Reporting Hate Crime Data Collection Guidelines and Training Manual. Note that, although the law states that institutions must use the UCR Program definitions, Clery Act crime reporting does not have to meet all of the other UCR Program Standards.

For the categories of Domestic Violence, Dating Violence and Stalking, the Clery Act specifies that the institution must use the definitions provided by the Violence Against Women Act of 1994 and repeated in the Clery Act regulations.

The following list describes crimes reportable under the Clery Act regulations.

**Murder/Non-negligent Manslaughter:** The willful (non-negligent) killing of one human being by another.

**Negligent Manslaughter:** The killing of another person through gross negligence.

**Sex Offenses** – Any sexual act directed against another person, without the consent of the victim, including instances where the victim is incapable of giving consent.

- **Rape:** The Penetration, no matter how slight, of the vagina or anus with any body part or object, or oral penetration by a sex organ of another person, without the consent of the victim, including instances in which the victim is incapable of giving consent.
- **Fondling:** The touching of the private body parts of another person for the purpose of sexual gratification, forcibly and/or against that person's will; or, not forcibly or against the person's will where the victim is incapable of giving consent because of his/her youth or because of his/her temporary or permanent mental incapacity.
- **Incest:** Non-forcible sexual intercourse between persons who are related to each other within the degrees wherein marriage is prohibited by law.
- **Statutory Rape:** Non-forcible sexual intercourse with a person who is under the statutory age of consent.

**Robbery:** The taking or attempting to take anything of value from the care, custody, or control of a person or persons by force or threat of force, violence, and/or causing the victim fear.

**Aggravated Assault:** An unlawful attack by one person upon another for the purpose of inflicting severe or aggravated bodily injury. This type of assault usually is accompanied by the use of a weapon or by means likely to produce death or great bodily harm. It is not necessary that injury result from an aggravated assault when a gun, knife, or other weapon is used which could or probably would result in a serious potential injury if the crime were successfully completed.

**Burglary:** The unlawful entry of a structure to commit a felony or a theft. For reporting purposes this definition includes: unlawful entry with intent to commit a larceny or a felony; breaking and entering with intent to commit a larceny; housebreaking; safe cracking; and all attempts to commit any of the aforementioned.

**Motor Vehicle Theft:** The theft or attempted theft of a motor vehicle. Classified as motor vehicle theft are all cases where automobiles are taken by persons not having lawful access even though the vehicles are later abandoned-including joy riding.

**Arson:** Any willful or malicious burning or attempt to burn, with or without intent to defraud, a dwelling, house, public building, motor vehicle or aircraft, personal property of another, etc.

**Liquor Law Violations:** The violation of laws or ordinance prohibiting: the manufacture, sale, transporting, furnishing, possessing of intoxicating liquor; maintaining unlawful drinking places; bootlegging; operating a still; furnishing liquor to minor or intemperate person; using a vehicle for illegal transportation of liquor; drinking on a train or public conveyance; all attempts to commit any of the aforementioned. (Drunkenness and driving under the influence are not included in this definition.)

**Drug Law Violations:** Violations of state and local laws relating to the unlawful possession, sale, use, growing, manufacturing, and making of narcotic drugs. The relevant substances include: opium or cocaine and their derivatives (morphine, heroin, codeine); marijuana; synthetic narcotics (Demerol, methadone); and dangerous non-narcotic drugs (barbiturates, Benzedrine).

**Weapons Law Violations:** The violation of laws or ordinances dealing with weapon offenses, regulatory in nature, such as: manufacture, sale, or possession of deadly weapons; carrying deadly weapons, concealed or openly; furnishing deadly weapons to minors; aliens possessing deadly weapons; all attempts to commit any of the aforementioned.

**Domestic Violence:** A felony or misdemeanor crime of violence committed by

- A current or former spouse or intimate partner of the victim,
- A person with whom the victim shares a child in common,
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner,
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies [under VAWA], or
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

**Dating Violence:** means violence committed by a person

- Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
- Where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - The length of the relationship;
  - The type of relationship; and
  - The frequency of interaction between the persons involved in the relationship.

**Stalking:** means engaging in a course of conduct directed at a specific person that would cause a reasonable person to

- Fear for his or her safety or the safety of others; or
- Suffer substantial emotional distress

## Hate Crimes by Prejudice

**Hate Crimes:** hate (bias) related crimes are reported by the type of bias as defined above on for the following classifications: murder/non-negligent manslaughter, negligent manslaughter, sex offenses, robbery, aggravated assault, burglary, motor vehicle theft, arson (see definitions above) and larceny, simple assault, vandalism, and intimidation (see definitions below).

- **Larceny-theft:** The unlawful taking, carrying, leading, or riding away of property from the possession or constructive possession of another.
- **Simple Assault:** An unlawful physical attack by one person upon another where neither the offender displays a weapon, nor the victim suffers obvious severe or aggravated bodily injury involving apparent broken bones, loss of teeth, possible internal injury, severe laceration or loss of consciousness.
- **Vandalism:** (Damage) To willfully or maliciously destroy, injure, disfigure, or deface any public or private property, real or personal, without the consent of the owner or person having custody or control by cutting, tearing, breaking, marking, painting, drawing, covering with filth, or any other such means as may be specified by local law.
- **Intimidation:** To unlawfully place another person in reasonable fear of bodily harm through the use of threatening words and/or other conduct, but without displaying a weapon or subjecting the victim to actual physical attack.

SALEM STATE UNIVERSITY CRIME STATISTICS <sup>7</sup>					
		GEOGRAPHIC LOCATION			
Offense	Year	On-Campus Property	On-Campus Student Housing Facilities	Non-Campus Property	Public Property
Murder/Non-Negligent Manslaughter	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Manslaughter By Negligence	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Rape	2019	1	1	0	0
	2020	1	1	0	0
	2021	3	3	0	0
Fondling	2019	6	6	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Incest	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Statutory Rape	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0

SALEM STATE UNIVERSITY CRIME STATISTICS <sup>7</sup>					
		GEOGRAPHIC LOCATION			
Offense	Year	On-Campus Property	On-Campus Student Housing Facilities	Non-Campus Property	Public Property
Robbery	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Aggravated Assault	2019	1	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Burglary	2019	8	2	0	0
	2020	4	0	0	0
	2021	1	0	0	0
Motor Vehicle Theft	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Arson	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Domestic Violence	2019	5	5	0	0
	2020	1	1	0	0
	2021	0	0	0	2
Dating Violence	2019	1	1	0	0
	2020	1	1	0	0
	2021	0	0	0	0
Stalking	2019	0	0	0	0
	2020	0	0	0	0
	2021	1	0	0	0

<sup>7</sup> Statistics are accurate as of the date of publication.  
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SALEM STATE UNIVERSITY CRIME STATISTICS <sup>7</sup>					
		GEOGRAPHIC LOCATION			
Offense	Year	On-Campus Property	On-Campus Student Housing Facilities	Non-Campus Property	Public Property
Arrests: Weapons Carrying, Possession, Etc.	2019	1	0	0	0
	2020	0	0	0	0
	2021	1	0	0	0
Disciplinary Referrals: Weapons Carrying, Possession, Etc.	2019	3	0	0	0
	2020	1	0	0	0
	2021	0	0	0	0
Arrests: Drug Abuse Violations	2019	0	0	0	0
	2020	0	0	0	2
	2021	0	0	0	1
Disciplinary Referrals: Drug Abuse Violations	2019	0	0	0	0
	2020	0	0	0	0
	2021	0	0	0	0
Arrests: Liquor Law Violations	2019	0	0	0	4
	2020	0	0	0	0
	2021	0	0	0	0
Disciplinary Referrals: Liquor Law Violations	2019	253	253	0	0
	2020	53	53	0	0
	2021	59	59	0	0

2019: One on-campus vandalism (sexual Orientation)

2020: One on-campus/Student Housing vandalism (sexual Orientation)

2021: No hate crimes reported

2019: No Incidents Unfounded

2020: No Incidents Unfounded

2021: No Incidents Unfounded



## **Board of Trustees Risk Management and Audit Committee Charter**

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### **Purpose:**

The Risk Management and Audit Committee of the Board of Trustees shall be a permanent committee which will be active and involved in the discussion of the university's efforts to review, develop, and implement guidelines and policies to govern the process by which risk management and the annual audit are undertaken by the institution. This committee will provide reports to the Salem State University Board of Trustees as required.

### **Responsibilities:**

#### **Risk Management**

1. Within the broad scope of enterprise risk management, this committee will set the policies necessary to guide the university's endeavors as it seeks to achieve the highest levels of effectiveness and efficiency, while minimizing risk.
2. Responsible to the board for monitoring the adequacy of internal control systems, review processes, and for providing a policy framework for an effective and independent audit and risk assessment function for the university and to carry out such functions of the Board of Trustees as directed from time to time.
3. Ensure the safety and security of the campus and compliance with laws and regulations fundamental to Salem State's continued success (including but not limited to Chapter 647 of the Acts of 1989, an act relative to improving internal controls within state agencies).
4. Establish and maintain a risk assessment team that will identify and prioritize risks to report to the board.
5. Determine the range of services, if any, needed to address risk concerns.
6. Oversee legal and financial compliance including but not limited to policies on Conflict of Interest and Whistleblower.

#### **External Audit**

1. Annually consider the appointment of the external auditor.
2. Review and approve the terms of engagement and fees of the external auditor at the start of each audit.
3. Consider and review the scope of work, reports and activities of the external auditor.
4. Review and evaluate the findings of the yearly audit with the external auditor.

12/2/2015 Approved by the Salem State University Board of Trustees.  
3/29/2017; 9/27/2017; 9/26/2018; 1/29/2020; 9/23/2020 - Reviewed by the Risk Management and Audit Committee, no changes.



5. Review with committee and external auditors significant accounting and reporting principles, practices, and procedures applied by the institution in preparing its financial statements.
6. Review and make recommendations to the board regarding financial, accounting and reporting issues.
7. Oversight/review of presidential expenditures.

**Membership:**

The committee shall have not fewer than three Trustees appointed by the chair of the Board. The president shall be a member of the committee, ex officio, non-voting. The chair shall be a member of the committee, officio voting. Committee members may include individuals who are not trustees so long as the majority membership of the committee is comprised of trustees. The chair shall have the authority to appoint non-trustee members advisory, non-voting to the committee to serve until the next annual meeting. Members may be appointed to the committee, on a temporary basis, by the chair, as may be required.

**Quorum:**

A majority of the members shall constitute a quorum.

**Meetings:**

The committee is expected to meet at least four times each fiscal year and more if needed to facilitate prudent and timely decision making. The meetings shall be conducted in conformity with the state's Open Meeting Law. Executive sessions may be conducted periodically and shall be limited to those matters permitted by the state's Open Meeting Law.

**Agenda, Minutes, and Reports:**

The chair of the committee, in collaboration with the staff designees, shall be responsible for establishing the agendas for meetings. An agenda, together with relevant materials shall be made available to committee members at least five days in advance of the meeting. Minutes for all meetings shall be drafted by the staff designee, reviewed by the committee chair, and approved by committee members at the following meeting.

## **Risk Management and Audit Committee Work Plan for AY 2022-23 September 2022**

### **September 28, 2022 w BOT Oct. 12, 2022**

- Annual Clery Report
- Audit Matters
  - Status of FY22 audit (verbal update)
- Other
  - Committee charter
  - Committee work plan for the year
- Executive session, if needed

### **October 12, 2022**

- FY2022 audits for discussion and acceptance (action item)
  - Salem State University Financial Statements and Management and Discussion's and Analysis June 30, 2022
  - Salem State University Independent Auditor's Report as Required by the Uniform Guidance and Government Auditing Standards and Related Information, June 30, 2022
- Auditor's discussion with trustees (expectation that management will leave the meeting voluntarily)

### **January 25, 2023 w BOT February 8, 2023**

- Cybersecurity Update
- FY22 annual report of president's expenditures

### **March 29, 2023 w BOT April 12, 2023**

- Risk Assessment
- Auditors for FY23 (information)

### **May 24, 2023 w BOT June 7, 2023**

- Audit matters
  - FY23 audit entrance discussion
  - Status of implementation of the GASB 87 leases