
SUBJECT: Risk Management and Audit Committee Meeting Report for September 25, 2024

The committee met remotely 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, extended the expiration of the provisions pertaining to the Open Meeting Law. All votes taken during this meeting were by roll call vote.

Present for the Committee: Trustees Maldonado (chair), Billings, and Kezer. Also, present and participating: President Keenan (ex-officio), Vice President House (co-committee liaison), Vice President Colucci (co-committee liaison), Assistant Vice President/Controller Bethoney and executive support specialist Fiore.

Absent for the Committee: Trustees Immerman (vice chair) and Mattera

Trustee Maldonado, committee chair, called the meeting to order at 5:19 pm.

Status of FY24 financial statements

The independent audit of the FY24 financial statements by Withum is ongoing, with the draft currently in preparation and scheduled for review at the next RMA committee meeting on October 16th.

Status of state Clery audit

The state auditors began testing the Clery reports for FY20–FY22 in August 2023 and have issued preliminary findings that require responses before finalizing their report.

Committee Charter (Attachment A)

No changes are recommended to the Risk Management and Audit Committee charter.

Committee work plan (Attachment B)

The Risk Management and Audit Committee work plan for the AY2024-2025 was discussed.

Executive Session

Chair Maldonado stated that the committee will go into Executive Session for the last agenda item pursuant to Mass General Law chapter 30A, section 21(a)(3). The RMA committee will adjourn during Executive Session and will not be returning to open meeting.

Trustee Kezer **MOVED**, and Trustee Morales **SECONDED** a motion to enter into executive session to discuss pending litigation, or strategies with respect thereto pursuant to Mass General Law chapter 30A, section 21(a)(3). A roll call vote was taken at 5:37 pm and the motion passed unanimously.

Voting in the affirmative: Trustees Billings, Kezer and Maldonado
Voting against: None

EXECUTIVE SESSION (separate notes)

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

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

Voting in the affirmative: Trustees Maldonado, Morales and Kezer
Voting against: None

The meeting adjourned at 6:33 pm.

Prepared by: B. Fiore, executive support specialist, finance and facilities

Risk Management and Audit Committee Charter

The charter attached is for your information and as a matter of good practice at the start of the board year. No changes are recommended.



Board of Trustees Risk Management and Audit Committee Charter

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.

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 AY2024-25
September 2024**

The workplan attached is for your review and as a matter of good practice at the start of the board year.

Risk Management and Audit Committee Work Plan for AY 2024-25

September 25, 2024 w BOT Oct. 16, 2024

- Status of FY24 financial statement audit (verbal update)
- Status of state Clery audit
- Other
 - Committee charter
 - Committee work plan for the year
- Executive session

October 16, 2024

- FY2024 audits for discussion and acceptance:
 - FY2024 Salem State University Financial Statements and Management's Discussion and Analysis, June 30, 2024
 - Salem State University Independent Auditor's Report as Required by the Uniform Guidance and Government Auditing Standards and Related Information, June 30, 2024

January 22, 2025 w BOT February 12, 2025

- Annual Clery Report
- Cybersecurity Update
- FY24 annual report of president's expenditures
- Conflict of Interest Policy
- Whistleblower Policy
- ICC overview
- Auditors for FY25 (action)

March 26, 2025 w BOT April 9, 2025

- AY2023-2024 Risk Mitigation report
- AY2024-2025 Risk Assessment Report

May 21, 2025 w BOT May 28, 2025

- Audit matters
 - FY25 audit entrance discussion