

**Minutes of the VSC Board of Trustees Audit Committee held Monday, June 1, 2020 at 10:00 a.m. via ZOOM -APPROVED**

The Vermont State Colleges Board of Trustees Audit Committee met on June 1, 2020, via Zoom

Committee members present: Linda Milne (Chair), Lynn Dickinson (Vice Chair), Megan Cluver, David Silverman

Absent: Karen Luneau

Other Trustees: Church Hinds, Peg Flory, Ryan Cooney

Presidents: Elaine Collins, Joyce Judy, Jonathan Spiro (Interim)

Chancellor's Office Staff: Donny Bazluke, Network/Security Analyst  
Todd Daloz, Interim General Counsel  
Brenda Flint, Associate Controller  
Jocelyn Haley, Director of Financial Operations  
Wayne Hamilton, Interim Controller  
Jen Porrier, Administrative Director  
Meg Walz, Program Manager, Library Director  
Steve Wisloski, Chief Financial Officer  
Sophie Zdatny, Interim Chancellor  
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Sarah Chambers, Coordinator of Instructional Technology, Castleton University  
Laura Jakubowski, Chief Budget & Finance Officer, Castleton University  
Karen Madden, Director of Academic Support Services, Northern Vermont University  
Sandra Noyes, President, VSC Staff Federation, Northern Vermont University  
Linda Olson, VP Education AFT-VT, Castleton University  
Maurice Ouimet, Dean of Enrollment, Castleton University  
Sharron Scott, Dean of Administration, Northern Vermont University  
Littleton Tyler, Dean of Administration, Vermont Technical College  
Beth Walsh, President, VSCUP, Northern Vermont University

From the Public:                   Kieth Goldie, Partner, O'Connor & Drew  
  Christopher Evans, Audit Supervisor, O'Connor & Drew

Chair Milne called the meeting to order at 10:04 a.m.

1. Approval of the Minutes of the February 3, 2020 Meeting of the Audit Committee

**Trustee Dickinson moved and Trustee Silverman seconded the approval of the minutes. The minutes were approved unanimously.**

2. Review of FY2020 Audit Plan with O'Connor & Drew

Chief Financial Officer Steve Wisloski reviewed recent staff changes in the Office of the Chancellor including the departure of Controller Sheilah Evans in February and the arrival of Wayne Hamilton as the Interim Controller, and the promotion of Brenda Flint to Associate Controller. Mr. Wisloski also introduced Jocelyn Haley who is transitioning to Director of Financial Operations. Mr. Wisloski then introduced Kieth Goldie, Partner at O'Connor and Drew, to discuss the Audit Plan. Mr. Goldie shared that last year's audit was a clean and successful one, where eighty percent was accomplished remotely. Mr. Goldie then shared that O'Connor and Drew intends to conduct the entirety of the planning phase of the FY2020 audit remotely this year. Once field work commences it will then be determined if the remainder of the work will occur remotely or face-to-face. The final audit delivery is proposed for middle to end of October 2020. Mr. Goldie encourages staff at the institutions to maintain open communication throughout the process to ensure a smooth process. This year's audit will focus on: (1) review of internal controls with the changes in staff at the Chancellor's Office; (2) analysis of the new payroll system implemented in June/July 2019; and (3) the VSC response to COVID-19.

Mr. Goldie also discussed the concept of a "going concern" opinion, stating that to avoid such an opinion, a business must reasonably foresee financially viable for the 12 month period following the delivery of the audit, and that many higher education institutions, particularly smaller and private ones, are dealing with these opinions. For VSC's purposes, the audit typically is delivered during mid-October, and so VSC would need to demonstrate viability through October 2021. Mr. Wisloski stated his belief that owing to the Legislature's considerable current and prospective financial assistance, the likelihood of a "going concern" opinion in conjunction with the FY2020 audit was greatly reduced. Still, this will need to be closely monitored over the summer as O'Connor & Drew continues its audit work, and as the VSC's full-year FY2021 budgets are developed.

3. Other business

Mr. Wisloski noted that this is the fourth and final year of O'Connor & Drew's contract with the VSC, and that this had no bearing on the audit itself, but that he wanted to ensure that the Committee knew this would be a discussion item at its October meeting. The options available to VSC are to (1) conduct a request for proposals, or (2) extend the existing contract for up to three more years, in accordance with VSC Policy 429, Contracting Goods and Services.

4. Public Comment

There was no public comment.

5. Adjourn

Chair Milne adjourned the meeting at 11:05 a.m.