



Audit Committee
CCSNH BOARD OF TRUSTEES
Meeting of June 18, 2020

Present: Trustee Tricia Lucas (Chair), Trustee Stephen Ellis, Trustee Cheryl Kahn, Trustee Steven Slovenski, Trustee John Stevens, CCSNH Director of Internal Audit Ann-Marie Hartshorn (CCSNH), CCSNH Legal Counsel Jeanne Herrick, Robert Smalley (Berry Dunn), Katharine Balukas (Berry Dunn), Renee Bishop (BerryDunn)

Regrets: Jason Bishop

The meeting was called to order at 1:04 pm in the Chancellor's Office conference room, NHTI campus, Concord, NH. The chair declared an emergency meeting in order to follow social distancing guidelines related to the current public health crisis, pursuant to RSA 91-A: 2 (III)(b).

Approval of March 19, 2019 Minutes

VOTE: The Committee, on motion of Mr. Slovenski and seconded by Mr. Stevens, voted unanimously by roll call to approve the minutes of the March 19, 2019 meeting as written.

Risk Management

Ms. Herrick reported on CCSNH planning efforts for a safe return to college facilities, working closely with the Departments of Education and Public Health. This plan must balance the educational priorities while meeting the duty of care by taking precautions that are reasonably necessary to protect the safety and health of worker and populations served, in accordance with Stay at Home 2.0. Regarding risk management protocols, CCSNH must establish system-wide standards and protocols that impact a broad range of stakeholders, reduce complexity as much as possible, and consider issues for implementing at scale. Principal considerations for this plan include the safety and well-being of students, faculty, staff and visitors, educational delivery and degree completion, financial impact, and workforce and business continuity. The safety and well-being of student, faculty, staff, and visitors requires considerations regarding the physical plant, access control, social distancing and personal hygiene, cleaning practices, workforce expectations, and communication practices. The financial impact includes smaller cohorts that may mean increased personnel costs, less tuition revenue, increased cost of tools and PPE where social distancing not possible. Discussion followed regarding specific cleaning practices and leave related to the Family and Medical Leave Act (FMLA).

Compliance Program Overview

The compliance program promotes and supports a working environment that reflects CCSNH's commitment to maintaining compliance with applicable laws, regulations, standards and policies, with the goal of achieving accountability in all institutional operations. The compliance



program generally consists of the policies and procedures that are in place to ensure compliance, review and assistance provided for appropriate implementation of the policies and procedures and monitoring and remediation where gaps are identified. The risk management team is just in the beginning phases of building a comprehensive program.

Internal Audit

Ms. Hartshorn reviewed the annual audit plan with the committee. The schedule for the FY21 audit start with a review of COVID-19 preparedness, followed by audits on student activity accounts, purchasing cards (p-cards), financial aid federal reporting, fundraising, account reconciliation, audit plan for FY2022, and any outstanding audit findings.

VOTE: The Committee, on motion of Mr. Ellis and seconded by Ms. Kahn, voted unanimously by roll call to approve the FY21 internal audit plan as presented.

Ms. Hartshorn provided an update on the LBA audit findings, including the outstanding items of p-card review for senior manager purchases and outstanding CCNH Foundation policies and procedures. As of June 18, 2020 the only outstanding audit finding of the 29 identified by the State of NH Legislative Budget Auditors is the finding for Foundation policies and procedures which will include gift acceptance and fundraising. This finding is expected to be complete January 2021.

External Audit

Since April, the Berry Dunn auditors have been working on the financial aid uniform guidance audit. Most financial aid directors were able to get all of the information the auditors requested, and the timeline for the audit has not been delayed.

Robert Smalley (Berry Dunn), Katharine Balukas (Berry Dunn), Renee Bishop (BerryDunn) joined the meeting at 1:50 pm. Berry Dunn provided an overview of the external audit, including management responsibilities, Berry Dunn's responsibilities, and required supplementary information. The external audit will consider internal controls but not express an opinion on it. The audit areas that are deemed to be significant include cash and cash equivalents, capital assets and expenditures, payroll, revenue, accounts payable and accrued expenses as well as federal funds and major program compliance. Berry Dunn reviewed the timeline for the external audit, which began in April 2020 for interim fieldwork and will conclude with the final audit committee presentation at the end of November 2020. It is possible that there will be a delay for uniform guidance. Mr. Smalley reviewed the two GASB standards that would have impacted CCSNH if they were not delayed.

Mr. Harrington reported on the status of the significant CARES and FEMA balances. that CCSNH is waiting for a response from the FEMA liaison to begin the process of reimbursement to CCSNH for the NHTI alternative care site expenses. The State of NH will receive all FEMA funds, and CCSNH will be a sub-recipient of the funds. Additionally, the CARES Act funds are split into



two portions—institutional support and emergency aid for students. Mr. Harrington reported on the current balance of the funds.

The committee did not express additional areas of concern or interest for the auditors to further address. Ms. Lucas will follow up with management to gather additional input to send to the auditors before year end.

VOTE: The Committee, on motion of Ms. Kahn. Ellis and seconded by Mr. Stevens, voted unanimously by roll call to approve the Berry Dunn engagement letter dated June 9, 2020 as presented.

No further business was stated. The meeting was adjourned at 2:31 pm.

Respectfully Submitted,

Meghan Eckner
Executive Assistant to the Chancellor and Board of Trustees