APPROVED

Fitchburg State University

Minutes

Board of Trustees Finance and Administration Committee Meeting with the Foundation Audit Committee

Date and Time
Tuesday November 10, 2020 at 8:30 AM

The Fitchburg State University Board of Trustees Finance and Administration Committee will meet remotely on Tuesday, November 10, 2020 at 8:30 a.m.

Public view:

Live stream
stream.meet.google.com/stream/05c30515-d9a0-4f3f-aac9-3b87a9639f5f

Committee Members Present
D. Irving (remote), D. Phillips (remote), D. Tiernan (remote), L. Barrieau (remote), M. Nicholson (remote)

Committee Members Absent
None

Guests Present
A. Cardelle (remote), A. Mercadante (remote), D. Celuzza (remote), G. Doiron (remote), J. Bry (remote), J. Wolfman (remote), K. Smith (remote), L. Bayless (remote), M. McKenzie (remote), M. Scarselli (remote), M. Scott (remote), M. Siderwicz (remote), M. Snyder (remote), N. Smith (remote), R. Lapidus (remote), S. Swartz (remote), Y. Malcolm (remote)

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

D. Phillips called a meeting of the Finance Committee Committee of Fitchburg State University to order on Tuesday Nov 10, 2020 at 8:31 AM.

C. Approve Minutes from the June 24, 2020 Finance Committee - VOTE (06/20-21)

M. Nicholson made a motion to approve the minutes from Board of Trustees Finance and Administration Committee Meeting on 06-24-20.
D. Irving seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
D. Irving	Aye
D. Phillips	Aye
L. Barrieau	Aye
M. Nicholson	Aye
D. Tiernan	Aye

II. Presentation by the Auditors

A. Board Presentation Exhibits

Introductions were made. The following auditors from CohnReznick discussed the audit PowerPoint presentation:

Ms. Karen Smith, Audit Partner
Mr. Mark Snyder, Audit Senior Manager
Ms. Maryellen Scarselli, Audit Manager
Ms. Michelle Scott, Audit Senior

K. Smith and M. Scarselli presented the Foundation and Supporting Organization audit results.

The Foundation and Supporting Organization audits are being issued with a “clean” unmodified opinion. There were no findings. They thanked Jay Bry, Yvonnie Malcolm, and Denise Brindle for their hard work and assistance. An overview of the consolidated statements of financial position; consolidated statements of activities and of cash flows; footnotes and disclosures were presented. A question and answer session ensued.

A. Mercadante made motion to accept the Foundation and Supporting Org. audits. N. Smith seconded the motion. The motion passed unanimously.

D. Celuzza left the meeting at 8:46 a.m.

K. Smith next presented the University audit results. She stated the financial statements are being issued with a “clean” unmodified opinion. The report on internal controls states that there were no findings. She thanked Jay Bry, Yvonnie Malcolm, Denise Brindle and the financial services staff for their hard work.

M. Snyder provided the financial statements overview. He said some modifications were made after the draft was distributed but there were no changes to the bottom line.

M. Snyder reviewed the university statements of net position. The auditors touched on the statements of revenues, expenses, and changes in net position. They also briefly highlighted some of the footnotes and disclosures and assets. There was a discussion.

M. Snyder asked the president to briefly discuss the current and anticipated future impact of COVID 19.

The president said the impact started during the spring semester. The university was forced to vacate the Residence Halls midterm requiring the issuance of refunds to students for housing, food service and parking. This action came at a significant cost to the university. Additionally, in order to comply with the Governor’s guidelines, the university had purchased personal protection equipment, sanitizers and other cleaning equipment, technology, signage and various other items. A significant big-ticket item was the COVID tests and the personnel necessary to administer the tests. He informed the committee of the additional state testing guidelines that will be implemented in the next couple of weeks and the implication associated with more rigorous testing protocols.

J. Bry discussed that the budget processes are challenging with enrollment and residence hall occupancy. He noted the additional investment being made in the enrollment management and admissions areas in support of future recruiting efforts.

M. Snyder noted the bond restructuring on the principal of the debt service in the residence halls for the next two years due to COVID. J. Bry also noted that the bulk of the savings were to happen in this year and that the cost of the restructuring would occur in future years although, the debt service curve does not change much over the long term.

M. Snyder announced the upcoming GASB accounting pronouncements as they relate to the deferment of leases.

There is no separate management letter being issued related to the audit.

There was a discussion.

B.

FY2020 Audit - VOTE (7/20-21)

D. Irving made a motion to accept the FY2020 audit as presented.
M. Nicholson seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
D. Irving	Aye
M. Nicholson	Aye
L. Barrieau	Aye
D. Tiernan	Aye
D. Phillips	Aye

The president thanked Jay Bry, Yvonnie Malcolm, Denise Brindle and the staff in Financial Services for all of their hard work.

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:11 AM.

Respectfully Submitted,
D. Phillips