



Audit Committee
CCSNH BOARD OF TRUSTEES
Meeting of November 18, 2021

Present: Trustee Tricia Lucas (Chair), Trustee John Stevens, Trustee Stephen Ellis (*teleconference*), Trustee Todd Emmons; Director of Internal Audit Ann-Marie Hartshorn (CCSNH), Director of Risk Management and Insurance Programs Jason Bishop (CCSNH), CCSNH Chancellor Mark Rubinstein, Robert Smalley (BerryDunn), Katharine Balukas (BerryDunn)

Regrets: Trustee Steven Slovenski

The meeting was called to order at 2:03 pm in 217 Grappone Hall, NHTI, Concord, NH.

FY21 Financial and Uniform Guidance Audit

Mr. Smalley from BerryDunn reviewed required auditor communications with the committee, including accounting policies, management's judgements and estimates, and sensitive financial statement disclosures. Regarding accounting policies, no transactions lacked authoritative guidance and all significant transactions were recorded in the correct period. BerryDunn reported no disagreements with management or difficulties in performing the audit and identified no significant audit adjustments. One immaterial adjustment was identified.

BerryDunn performed an audit of the financial statement and delivered an unmodified opinion on the financial statements. Ms. Balukas reviewed the financial statement highlights in the Statement of New Position and in the Statements of Revenues, Expenses, and Changes in Net Position. Discussion followed regarding the impact of the pandemic on the financial statement.

The committee reviewed the financial statement footnotes and the yellow book report, including internal controls and compliance with laws and regulations. BerryDunn did not identify any internal control matters that would be considered to be material weaknesses, and the firm did not identify any instances of noncompliance or other matters that are required to be reported.

Within the federal compliance audit, BerryDunn reviewed the Coronavirus Relief Fund (U.S. Department of Treasury), the Student Financial Aid Cluster (U.S. Department of Education), Education Stabilization Funds (U.S. Department of Education), Carl D. Perkins Career and Technical Education Act of 2008 (U.S. Department of Education), and Disaster Grants –Public Assistance (U.S. Department of Homeland Security). BerryDunn did not audit internal controls over compliance. Regarding compliance with the requirements of the major federal programs, BerryDunn issued an unmodified opinion, and the audit firm also issued an unmodified opinion regarding the schedule of expenditures of federal awards. There were no current year audit findings, and prior year audit findings are partially resolved.



VOTE: The committee, on motion of Mr. Emmons and seconded by Mr. Stevens, voted unanimously by roll call to accept the FY21 Financial and Uniform Guidance Audit as presented.

Mr. Smalley, Ms. Balukas, and Mr. Ellis left the meeting at 3:03 pm.

Approval of September 17, 2021 Minutes

VOTE: The Committee, on motion of Mr. Stevens and seconded by Ms. Lucas, voted unanimously to approve the minutes of the September 17, 2021 meeting as written.

Risk Management Update

All CCSNH colleges submitted Cleary Reports and 188-H reports by deadline. Title IX sexual harassment training was conducted by a consultant for key CCSNH personnel, and CCSNH conducted incident report writing training & impacts on insurance for the HR & Safety Directors. CCSNH signed a contract with Minuteman to complete work within the Campus Safety & Risk Assessment RFP.

Discussion followed regarding remote employees at CCSNH and the broader trend of remote work following the pandemic.

Fraudulent Applications Submissions and Increased Risk of Fraud

Mr. Bishop presented the timeline of the Target X fraud incident, and Ms. Hartshorn provided an overview of the procedures CCSNH has put in place to mitigate this risk. The committee commended Ms. Hartshorn, Mr. Bishop, and staff across the colleges for their highly collaborative and successful efforts addressing this matter.

CCSNH Corrective Action Plan for FY20 Uniform Guidance Audit Finding

BerryDunn identified one compliance finding classified as a significant deficiency over compliance with the major program (Finding 2020-001) in the FY20 Uniform Guidance Audit. The finding discovered a total of 15 students deemed “walkaways” in March, and related reporting due in May was not submitted until September. Because the identified issue could be isolated to a very specific type of student at one college and is not a systemic issue, BerryDunn coded it as a significant deficiency and not as a material weakness. Management was tasked with developing a corrective action plan that includes automating this function and working closely with all colleges on developing a new procedure. The new procedure has already been implemented at one of the colleges, and BerryDunn will update the finding once all seven colleges have implemented the new procedure by the end of the fall semester.

Other Business

No further business was stated. The meeting was adjourned at 3:51 pm.

Respectfully Submitted,

Meghan Eckner

Executive Assistant to the Chancellor and Board of Trustees