



**Audit Committee**  
**CCSNH BOARD OF TRUSTEES**  
**Meeting of November 16, 2023**

**Present:** Trustee Tricia Lucas (Chair), Trustee John Stevens, CCSNH Director of Internal Audit Ann-Marie Hartshorn, CCSNH Vice Chancellor Chuck Lloyd, CCSNH Director of Finance Kim Brent, Katharine Balukas from BerryDunn, Rob Smalley from BerryDunn, CCSNH Controller John Harrington (*Zoom*), Kate Azverde from BerryDunn (*Zoom*)

**Regrets:** Trustee Stephen Ellis, CCSNH Director of Risk Management and Insurance Programs Jason Bishop

The chair called the meeting to order at 8:33am in the System Office Conference Room, NHTI, Concord, NH

Trustee Lucas made a motion to accept the Minutes from the 7/25/23 meeting. Trustee Stevens seconded the motion, and the minutes were accepted with a unanimous vote by all Trustees present.

Trustee Lucas welcomed Katherine (Katy) Balukas and Rob Smalley from BerryDunn to the meeting. Trustee Lucas thanked them for the work they do for the Community College System of New Hampshire. In addition, Trustee Lucas thanked the CCSNH Staff for all the effort and hours put into the audit.

Rob Smalley started by thanking CCSNH for the cooperation during the audit period. Mr. Smalley discussed with the committee the responsibilities of CCSNH management and the responsibilities of the BerryDunn Audit Team.

Katherine Balukas discussed the balance sheets and key changes from the previous year. Vice Chancellor Lloyd asked for some clarification in the changes of Cash Flow. Mr. Smalley explained the changes were primarily related to the changes in the discount rate.

Ms. Balukas discussed that on the income statement the large increase in employee salary and benefits was impacted by the shift in Other Post Employment Benefits (OPEB). It was discussed that for the presentation to the full board it would be best if this was highlighted so there is no misunderstanding why the number increased.

Ms. Balukas discussed that this year CCSNH has one audit finding. The finding was related to the federal grant requirement to check vendors and employees being paid with federal monies to

against the federal suspension and debarment list (SAM.gov). The instance involved several employees paid through the grant for the LPN at RVCC and a construction company at NCC.

Trustee Lucas asked how we could avoid this issue in the future. Ms. Hartshorn stated that steps were already being taken by Kate O'Connor, the Director of Sponsored Programs, to mitigate these issues in the future. In addition, Ms. O'Connor has conducted training at the seven colleges as well as within the system office.

Mr. Smalley and Ms. Balukas also discussed conducting additional testing annually due to turnover with regards to both vendors and employees. Ms. Hartshorn, Trustee Lucas, and the Auditors discussed this year there were several vacancies for key financial positions at 3 of the CCSNH colleges. It was also discussed that each year internal audit should check controls over the Vendor Master File and who has what access.

Trustee Lucas stated that these were good Audit results and congratulated everyone involved for their hard work.

Trustee Lucas made a motion to accept the FY23 Financial Statement and Uniform Guidance Audits as presented by Rob Smalley and Katy Balukas. Trustee Stevens seconded the motion, and the audits were accepted with a unanimous vote by all Trustees present.

Meeting adjourned at 9:47am.

Respectfully submitted,

Hayley Hawksley, Administrative Assistant

