



**BOARD OF REGENTS  
COMMITTEE ON AUDIT**

Notes from Closed Session  
October 17, 2013

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Mr. Augustine called the meeting of the Committee on Audit of the University System of Maryland Board of Regents to order at approximately 10 AM on October 17, 2013 at the Universities at Shady Grove. Mr. Augustine read aloud and referenced the Open Meetings Act Subtitle 5, section 10-508(a) which permits public bodies to close their meetings to the public in special circumstances. Mr. McMillen made a motion to close the session, and the motion was seconded by Ms. Gooden. The Regents voted unanimously to close the session.

At approximately 11:15 AM on October 17, 2013, a motion was made by Regent McMillen and seconded by Regent Gossett that the audit committee members vote to adjourn its closed session and reconvene into public session for the express purpose of amending the closing statement to include a litigation report from legal counsel on a litigation case. Following a vote, Regent McMillen made a motion which was seconded by Regent Gossett for the audit committee to reconvene into closed session to receive a litigation report from the Board's legal counsel.

Regents in Attendance included: Mr. Norman R. Augustine (*chair*), The Honorable C. Thomas McMillen, Ms. Linda R. Gooden, The Hon. Francis X. Kelly Jr., and Mr. Barry Gossett. Also present were: USM Staff: Mr. Brown, Ms. Denson, Ms. Doyle, Mr. Mosca, Mr. Page, Mr. Hogan, Mr. Vivona and Ms. White; Office of the Attorney General: Mr. Faulk and Mr. Kuchno; S.B. and Co., LLC (USM's Independent Auditor): Ms. Booker, Mr. Sean Walsh and Mr. Smith; and Coppin State University: Dr. Neufville - President, Dr. Gregory - Provost, Mr. Spinard - VP of Administration & Finance and Ms. Jenkins - Chief of Staff to the President.

The following agenda items were discussed:

1. The audit committee members present voted to approve prior meeting minutes. Motion to approve was made by Mr. McMillen and seconded by Ms. Gooden. The Committee members unanimously voted to approve the prior meeting minutes.
2. USM's Director of Internal Audit, Dr. Neufville and Mr. Kuchno provided updates of action items from previous Audit Committee meetings.
3. Mr. Faulk provided a litigation report on a litigation case.
4. USM's Comptroller presented and led discussion on FYE 2013 - System Wide Draft Financials, Balance Sheet & Statement of Changes.

5. USM's Director of Internal Audit provided an update of the Office of Legislative Audit (OLA) activity since the committee's June 2013 meeting.
6. USM's Director of Internal Audit provided an update of Internal Audit's 2013 plan of activity.
7. USM's Director of Internal Audit provided a status update of reported allegations received by Internal Audit.
8. The committee members voted unanimously to approve internal audit report summaries from June 2013 through September 2013. The motion to approve was made by Mr. McMillen which was seconded by Mr. Gossett. The reports are not considered final or subject to public disclosure until they are accepted by the BOR Audit Committee.
9. The Committee members met separately with the Independent Auditors, Mr. Smith and Ms. Booker, and the Director of Internal Audit.