



**BOARD OF REGENTS  
COMMITTEE ON AUDIT**  
Minutes from Open Session  
December 13, 2021

---

Regent Fish called the meeting of the Committee on Audit of the University System of Maryland Board of Regents to order at approximately 10:00 a.m. This meeting was conducted via videoconference.

Regents in attendance included: Ms. Fish (Chair), Mr. Pope (Vice Chair), Mr. Gill, Ms. Gooden, Mr. Hur, and Mr. Wood. Also present were: USM Staff – Chancellor Perman, Mr. Brown, Ms. Denson, Mr. Eismeier, Mr. Hayes (phone), Ms. Herbst, Mr. McDonough, Mr. Mosca, Mr. Page, Ms. White, and Ms. Wilkerson; Office of the Attorney General -- Ms. Langrill; CliftonLarsonAllen LLP (USM’s Independent Auditor) – Ms. Bowman.

The following agenda items were discussed:

1. Information & Discussion – USM Audited Financial Statements

USM’s Controller presented USM’s Audited Financial Statements for year ended June 30, 2021. The report included a ‘Financial Snapshot’, which consisted of the key balance sheet strength ratios used by the bond rating agencies and a comparison of each institution’s performance to the prior year’s results. USM’s Controller also presented a set of indicators and ratios (financial dashboard) that summarize current and year-to-year financial health or performance against a set of benchmarks.

2. Information and Discussion – FY 2021 Independent Audit of USM’s Financial Statements

USM’s independent auditor (CliftonLarsonAllen, LLP) presented its audit results of USM’s FY 2021 & 2020 financial statements. CliftonLarsonAllen, LLP conveyed an unmodified (unqualified) opinion. The independent auditor also reported:

- No material weaknesses in internal controls were discovered;
- No instances of fraud were discovered as a result of their audit procedures; and
- The auditor received full cooperation from management.

The independent auditor had no management recommendations for the Audit Committee.

3. Information and Discussion – Update from Enterprise Risk and Crisis Management Work Group)

Regent Pope confirmed the Enterprise Risk Management and Crisis Management Workgroup has not met since the October Audit Committee meeting. As a result, there was no update from this workgroup.

4. Information – Completed Office of Legislative Audit Activity

USM's Director of Internal Audit presented an OLA findings dashboard which showed changes in the number of findings including repeat findings for each USM institution. The Committee also reviewed OLA's recently published audit of the University of Baltimore.

5. Information & Discussion – Internal Audit's Quality Assessment Report

USM's Director of Internal Audit presented the results from Internal Audit's September 2021 Quality Assessment Review. The results of the assessment affirmed that USM's Office of Internal Audit *Generally Conforms* to the IIA Standards.

6. Information & Discussion – Follow Up of Action Items from Prior Meetings

The committee reviewed the status of action items from prior meetings. USM's AVP of Finance provided an update on the development of policy revision for fundraising foundations.

7. Convene to Closed Session

Ms. Fish read aloud and referenced the Open Meetings Act Subtitle 5, §3-305(b) which permits public bodies to close their meetings to the public in special circumstances.  
[Moved by Mr. Wood, seconded by Ms. Gooden; unanimously approved.]

The closed session convened at approximately 11:17 a.m.