

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

COMMITTEE ON
FISCAL AFFAIRS

MINUTES OF THE MEETING
JANUARY 7, 2013

The meeting was called to order at 5:10 p.m.

There were present:

Committee Members:

Hon. Joseph J. Lhota, Chair
Hon. Peter S. Pantaleo, Vice Chair
Hon. Valerie L. Beal
Hon. Judah Gribetz
Hon. Carol Robles-Roman
Hon. Terrence F. Martell, faculty member
President James Muyskens, COP liaison

University Staff:

Chancellor Matthew Goldstein
Executive Vice Chancellor and Chief Operating
Officer Allan H. Dobrin
Senior Vice Chancellor Marc V. Shaw
Associate Vice Chancellor Matthew Sapienza
University Controller Barry Kaufman
Chief Investment Officer Janet Krone
University Deputy Executive Controller Miriam
Katowitz

Trustee Observer:

Hon. Kafui K. Kouakou

Trustee Staff:

Senior Vice Chancellor and Secretary of the
Board Jay Hershenson
Deputy General Council Jane Sovern
Deputy to the Secretary Hourig Messerlian
Ms. Towanda Lewis
Mr. Steven Quinn

Cal. No.	DISPOSITION
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The agenda items were considered and acted upon in the following order:

I. ACTION ITEMS:

A. APPROVAL OF THE MINUTES OF THE MEETING OF NOVEMBER 5, 2012. The minutes were approved as submitted.

B. POLICY CALENDAR

1. Estate of The City College of New York Alumnus Charles Offin. Committee Chair Joseph Lhota stated that this resolution requests the approval of the sale of various works of art donated to The City College of New York by alumnus Charles Offin. The estimated total amount of the sale is \$1.2 million. This resolution also requests that the Board authorize the net funds received from such a sale to be transferred to and held, managed and administered by the college and used on its behalf.

Following discussion, the item was unanimously approved for submission to the Board.

2. Tuition Waiver for Students Affected by Hurricane Sandy. Committee Chair Lhota stated that this resolution requests authorization for college presidents to waive or defer tuition payments for the Spring 2013 semester for those students seriously impacted by Hurricane Sandy and whose economic circumstances preclude their enrollment at CUNY. Hurricane Sandy was an extraordinary event that seriously disrupted the lives of many students. The University is sensitive to these needs and is providing tuition waivers and

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deferments to those students whose economic situation was made so dire by the storm that they no longer have sufficient financial resources to enroll at a CUNY college for the Spring 2013 semester.

In response to a question from Committee Chair Lhota, Senior Vice Chancellor Marc Shaw explained that a University-wide policy has been put in place through which college presidents can waive or defer tuition payments for students seriously impacted by the storm. Students must go to the financial aid office of their respective college and submit a hardship claim. Each determination will be handled on an individual basis at the college level.

In response to a question from Trustee Peter Pantaleo, Associate Vice Chancellor Matthew Sapienza stated that CUNY had approximately 7,700 students that lived in Zone A. Just because students live in Zone A does not necessarily mean that they have financial hardship, and if they do many CUNY students receive full Pell and TAP, so their tuition may be covered. In addition, there may be some students outside of Zone A who may have some financial hardship. The number of students at any one campus is not going to be a burdensome cost to any of the campuses, and if so the University is certainly willing to work with those campuses to help them along.

Following discussion, the item was unanimously approved for submission to the Board.

II. INFORMATION ITEMS:

A. Update by Chief Investment Officer Janet Krone on the University's portfolio performance through November 30, 2012

PRESENTATION BY CUNY CHIEF INVESTMENT OFFICER JANET KRONE

B. Update on the Subcommittee on Audit meeting of December 18, 2012

University Controller Barry Kaufman reported that at the committee's preceding Subcommittee on Audit meeting held on December 18th, KPMG presented the University's 2012 financial statements. This was a clean audit. For the past ten years all the audits have been clean in the sense that they have all resulted in unqualified opinions. According to the report from KPMG, there were no audit adjustments proposed. This is the first-time in five years that there were no adjustments that had to be proposed as a result of the audit. The audit of the financial statements is the first of four deliverables that KPMG provides. The senior college financial statements are a second deliverable, and the other two are the A-133 report, which is a review of the University's performance with the federal financial aid programs and any other federal grants that are received directly by the University (e.g. FEMA); and, lastly a management letter that the auditors issue, in which, they raise specific findings and concerns. There are no serious issues that KPMG will be calling to attention and the committee will hear about the other three deliverables in the months to come. All in all, it was a very good audit and this speaks to the work of University Deputy Executive Controller Miriam Katowitz and University Associate Controller Thomas Zhou, who have been instrumental in the last number of years in producing the document. Without their work and the work of the staff this would have not come about.

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Committee Chair Lhota mentioned that University Controller Kaufman will be retiring shortly and would like to commend him for all the great service to the University.

The meeting was adjourned at 5:20 p.m.