The meeting was called to order at 5:34 p.m.

There were present:

**Committee Members:**
- Hon. Peter Pantaleo, Chair
- Hon. Philip Berry
- Hon. Terrence Martell, faculty member
- Ms. Priscilla Paula, student member
- President Felix Matos Rodriguez, COP Liaison

**Ex-Officio:**
- Hon. Benno Schmidt

**Trustee Observers:**
- Hon. Joseph J. Lhota
- Hon. Barry F. Schwartz
- Hon. Joseph K. Awadjie

**Other Observers:**
- Prof. Kay Conway
- Ms. Mariam Jakhashvili

**Trustee Staff:**
- Senior Vice Chancellor and Secretary of the Board Jay Hershenson
- General Counsel and Senior Vice Chancellor Frederick P. Schaffer
- Ms. Towanda Lewis
- Mr. Anthony Vargas

**University Staff:**
- Chancellor James B. Milliken
- Executive Vice Chancellor and Chief Operating Officer Allan H. Dobrin
- Vice Chancellor Matthew Sapienza
- University Controller Leonard Zinnanti
- University Deputy Controller Miriam Katowitz

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The agenda items were considered in the following order:

I. **ACTION ITEMS:**

A. **APPROVAL OF THE MINUTES OF THE MEETING OF NOVEMBER 3, 2014.** The minutes were approved as submitted.

B. Approval of the A-133 Draft Audit Report FY2014.

***PRESENTATION BY SHELLY MASI, PARTNER, KPMG (via telephone)***

In response to a question from University Faculty Senate (UFS) Chair and Trustee Terrence Martell, Ms. Shelly Masi stated that the audit of the Economic Development Initiative is close to fifty percent done.

In response to a question from Chairperson Benno Schmidt, Ms. Masi stated that the audit threshold increase of $750,000 refers to the overall audit and the expenditures of an organization. Currently organizations do not need an A-133 audit unless their expenditures are more than $500,000. She added that KPMG is looking at grants and contract programs that exceed $300,000 at the University as well.
In response to another question from Chairperson Schmidt, Ms. Masi stated that anything exceeding $300,000 is called a Type A program, and KPMG assesses Type A programs for risks. In CUNY’s case the grants and contract programs were both high risk and required to be audited. All other programs are considered as Type B programs, and KPMG is not required to audit those unless needed by percentage of coverage. The only two programs that were actually audited were the CFDA and the Economic Development Initiative. She added that there is a monitoring mechanism for grants less than $300,000 as well.

University Deputy Controller Miriam Katowitz stated that the University does not have a lot of grants under $300,000 because the bulk of the grants sit with the Research Foundation, which has their own A-133 audit and accountability. The biggest grant that is not being audited this year is the one related to FEMA because it was audited two years ago in 2012; however, the University would likely be subject to audit if it has a lot of money for FEMA being expended, or if approval is given on the project worksheets for funds that have been expended previously.

Following discussion, this item was approved.

II. INFORMATION ITEMS:

A. Presentation of FY 2014 Management Letter

***PRESENTATION BY SHELLY MASI, PARTNER AND JOHN SPIEGEL, SENIOR MANAGER, KPMG (via telephone)***

The meeting was adjourned at 5:50 p.m.