

BOARD OF TRUSTEES  
THE CITY UNIVERSITY OF NEW YORK

SUBCOMMITTEE ON  
AUDIT

MINUTES OF THE MEETING  
FEBRUARY 3, 2014

The meeting was called to order at 6:24 p.m. Committee on Fiscal Affairs Chair Joseph J. Lhota chaired this meeting in place of Subcommittee on Audit Chair Peter S. Pantaleo who was unable to attend the meeting.

There were present:

**Committee Members:**

Hon. Philip Alfonso Berry  
Hon. Rita DiMartino  
Prof. Terrence Martell, faculty member

**Observers:**

Hon. Joseph J. Lhota, chairing  
Hon. Valerie Lancaster Beal  
Hon. Carol A. Robles-Roman  
Prof. Kay Conway  
Mr. Joseph Awadje

**University Staff:**

Executive Vice Chancellor and Chief Operating  
Officer Allan H. Dobrin  
Senior Advisor to the Chancellor for Fiscal Policy  
Marc V. Shaw  
Vice Chancellor Matthew Sapienza  
University Controller Leonard Zinnanti  
University Deputy Controller Miriam Katowitz  
University Associate Controller Thomas Z. Zhou

**Trustee Staff:**

Senior Vice Chancellor and Secretary of the  
Board Jay Hershenson  
Deputy to the Secretary Hourig Messerlian  
Ms. Towanda Lewis  
Mr. Steven Quinn  
Mr. Anthony Vargas

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<b>Cal. No.</b>	<b>DISPOSITION</b>
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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 DECEMBER 4, 2013.** The minutes were approved as submitted.

**II. INFORMATION ITEMS:**

- A. KPMG A-133 Audit Report

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

In response to a question from University Faculty Senate (UFS) Chair and Trustee Terrence Martell, Ms. Shelly Masi stated that there were a few items that did not rise to the level of an audit finding. They will be included in the Management Letter that KPMG will be providing later this month. But there were some instances where it was noted that the cost of attendance of students was not adjusted upon a withdrawal and that was simply because they knew that they had adjusted the correct aid, but yet it was not documented officially in the files. When somebody drops a semester and their cost of attendance changes, this ultimately could impact the federal funding that they receive. Going forward, KPMG has recommended that procedures be put in place so that when that happens, it would be officially documented.

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Executive Vice Chancellor and Chief Operating Officer Allan Dobrin stated that he would be remiss if he did not thank Vice Chancellor Matthew Sapienza and his staff, Gordon Taylor and his staff, Barry Kaufman and Robert Ptachik for a remarkable finding.

In response to a question from Fiscal Affairs Chair Joseph Lhota, Ms. Masi stated that the definition of a major program is a program that KPMG is auditing. As Mr. John Eusano mentioned on the schedule of federal awards, the University had three federal programs that are included, but KPMG only audited financial assistance.

In response to a question from Fiscal Affairs Chair Lhota, University Deputy Controller Miriam Katowitz stated that this report just covers the University; it does not pertain to the funds that are held at the college level. The individual auxiliaries, associations, and childcare centers have to have their own audits and those audits would follow the A-133 for their auditors to do the same kind of reports.

**I. ACTION ITEMS, continued:**

**B. POLICY CALENDAR**

1. RESOLVED, that the A-133 report for the year ended June 30, 2013 as presented in Draft is approved for filing.

Following discussion, the item was unanimously approved.

The Subcommittee on Audit meeting was adjourned at 6:43 p.m.