

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

SUBCOMMITTEE ON
AUDIT

MINUTES OF THE MEETING
NOVEMBER 2, 2015

The meeting was called to order at 5:53 p.m.

There were present:

Committee Members:

Hon. Peter S. Pantaleo, Chair
Hon. Terrence F. Martell, faculty member
President Felix Matos Rodriguez, COP Liaison

Ex-Officio:

Hon. Benno Schmidt

Trustee Observers:

Hon. Valerie L. Beal
Hon. Barry F. Schwartz

Observers:

Prof. Kay Conway

Trustee Staff:

Senior Vice Chancellor and Secretary of the
Board Jay Hershenson
Ms. Towanda Lewis
Ms. Fenella Ramsami
Mr. Anthony Vargas

University Staff:

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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| Cal. No. | DISPOSITION |
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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 JUNE 1, 2015.** The minutes were approved as submitted.

II. INFORMATION ITEMS:

- Presentation of FY 2015 Audited Financial Statements - KPMG

PRESENTATION BY SHELLY MASI, PARTNER AND JASON SPIEGEL, SENIOR MANAGER, KPMG

In response to a question from Prof. Kay Conway, Ms. Shelly Masi stated that KPMG does not audit 27 out of 80 discreetly presented component units. That sounds like a relatively small number but the foundations hold the vast majority of the discreetly presented foundations' investments. That is why the percentages are so high. As a result, KPMG relies on the opinions of the other auditors, obtaining all of the final audited financial statements. In addition, KPMG confirm independence and the qualifications of those auditors as part of its audit.

In response to a question from University Faculty Senate (UFS) Chair and Trustee Terrence Martell, Mr. Jason Spiegel stated that unless the city defaulted on the University's net pension liabilities, it is an actuarially determined liability.

Ms. Masi added that it is funded by New York State. The pension expense is running through your statement of changes so it is impacting the University through those needs.

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NOVEMBER 2, 2015

In response to a question from Committee Chair Peter Pantaleo, Ms. Masi stated that KPMG is not aware of any advisory services to any University entity.

In response to a comment from UFS Chair and Trustee Martell, Vice Chancellor Matthew Sapienza stated that going forward the University will make sure that it includes all of the economic factors and not just the ones that are directly related to state and city finances.

I. ACTION ITEMS, continued:

B. POLICY CALENDAR

1. The City University of New York – Approval of the FY2015 Financial Statements.

Following discussion, this item was approved.

The meeting was adjourned at 6:17 p.m. to go into Executive Session.

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The Executive Session was called to order at 6:18 p.m.

There were present:

Committee Members:

Hon. Peter S. Pantaleo, Chair
Hon. Terrence F. Martell, faculty member

Ex-Officio:

Hon. Benno Schmidt

Trustee Observers:

Hon. Valerie L. Beal
Hon. Barry F. Schwartz

Observers:

Prof. Kay Conway

Trustee Staff:

Senior Vice Chancellor and Secretary of the
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II. INFORMATION ITEMS, continued:

- Meeting with KPMG without management
- Management meeting without KPMG

The Executive Session was adjourned at 6:41 p.m.