



## **Board of Trustees**

### **Audit Committee**

June 11, 2026

10:00 a.m.

Loughman Living Room, Scanlon Hall

Committee Members: Chair Theresa Jasmin, Vice Chair Melissa Alvarado, Secretary Jay Queenin, Tessa Lucey, and Michael O'Rourke

A live stream of the meeting for public viewing will also take place at the following link: <https://www.westfield.ma.edu/live>

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|--|----------------------------------|
| <b>1. Call to Order</b>                                      | Committee Chair Jasmin           |
| <b>2. Approval of Minutes</b>                                |                                  |
| a. April 13, 2026  | Committee Chair Jasmin           |
| <b>3. Items for Discussion</b>                               |                                  |
| a. Financial Audit Services for FY26 (Planning Presentation) | WithumSmith & Brown, PC          |
| b. Internal Audit: Clery Act                                 | Boston Consortium Internal Audit |
| c. Internal Audit: Advancement Operations                    | Boston Consortium Internal Audit |
| <b>4. Items for Information</b>                              |                                  |
| a. Enterprise Risk Management                                | Sam Lemanski                     |
| <b>5. Adjournment</b>  | Committee Chair Jasmin           |

#### **Attachment(s):**

- a. Minutes 4-13-26 (Draft)
- b. Financial Audit Services for FY26 (Planning Presentation)
- c. Enterprise Risk Management



## Board of Trustees

### Audit Committee

April 13, 2026, 4:30 p.m.

Minutes

Zoom

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**Committee Members Present:** Committee Chair Theresa Jasmin, Vice Chair Melissa Alvarado, Secretary Jay Queenin, Members Tessa Lucey and Michael O'Rourke.

Also present and participating were Westfield State University President, Dr. Linda Thompson; Vice President for Administration and Finance, Stephen Taksar and Associate Vice President of Financial Accounting, Lisa Freeman.

Committee Chair Theresa Jasmin called the meeting to order at 4:30 p.m., conducted a roll call of committee members, and stated the meeting was being livestreamed and recorded.

**MOTION** made by Trustee O'Rourke seconded by Trustee Alvarado to approve the meeting minutes of February 19, 2026. A roll call was completed. **Motion passed.**

#### Engagement of Financial Audit Services for FY26

- Lisa Freeman presented the recommendation to choose WithumSmith & Brown PC to provide audit services through June 30, 2029, with possible two one-year extensions.
  - Withum has the most experience auditing Massachusetts public higher education institutions.
  - The base audit cost is only \$1,000 more than the second-best firm.

**MOTION** made by Trustee O'Rourke seconded by Trustee Alvarado, the Audit Committee recommends approval to the full Board: to appoint WithumSmith & Brown PC, as the University's auditors and to engage their services for FY26 in response to the state-wide request for proposal with Bridgewater State University (RFP-0026). The contract is for three years with a possibility of two, one-year extensions. A roll call was completed. **Motion passed.**

#### Internal Audit Update: Clery Act

- The audit is about 80% complete and expected to be presented at the June board meeting.
- The University will review findings and make responses, then the report will be published in draft form and approved at the next audit committee meeting.
- Preparing for the next internal audit, the Institutional Advancement Review, to start in the early summer.
- The Boston Consortium has deep experience and learning best practices from their other clients.

There being no further business,

**MOTION** made by Trustee Alvarado and seconded by Trustee O'Rourke to adjourn the meeting. There being no discussion, **motion passed unanimously**.

Meeting adjourned at 4:40 p.m.

**Attachment(s):**

- a. Minutes 2-19-26 (Draft)
- b. Motion – Engagement of Financial Audit Services for FY26
- c. Engagement of Financial Audit Services for FY26

**Secretary's Certificate**

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Westfield State University Board of Trustees, Audit Committee meeting held on April 13, 2026.

\_\_\_\_\_  
Jay Queenin, Secretary

\_\_\_\_\_  
Date

# Westfield State University

June 11, 2026

# Key Audit Staff

- Ryan Sheehan, Partner
- Kate Jun, Manager
- Stephen Hitchcock, Senior
- Steven Cohen, Technical Review Partner, Higher Education

# Timing of Audit Planning/Fieldwork

- |   |           |
|---|-----------|
| •Internal Control /Systems Testing                                | June/July |
| •Audit Fieldwork  | August    |
| •Review of draft financial statements<br>with the Audit Committee | October   |

# Audit Approach

## ***Major Internal Control Cycles:***

- Cash disbursements
- Student revenue & cash receipts
- Payroll
- General journal entries

## ***Single Audit (Uniform Guidance) Compliance Testing:***

- Student Financial Assistance (SFA) Cluster
- Potential additional programs – subject to determination once Federal Expenditure amounts are available.
- Major program threshold for FY2026 is \$1 million (increase from prior year amount of \$750,000).

# Audit Approach

## ***Planning:***

- Walkthrough of internal control systems
- Reviewing budget and results and comparing to year end results
- Discussions with management for any new or significant changes to operations from the prior year

## ***Year-end Fieldwork, significant areas:***

- Confirming cash balances
- Testing receivables and reserves
- Capital expenditures and depreciation
- Valuation of assets and liabilities related to pension, OPEB, Leases and subscription services
- Confirming debt balances and new funding agreements
- Reviewing financial statements and supplementary information

# Audit Approach – Responsibilities

## *Our:*

- Forming an opinion on the financial statements
- Communicating significant matters to proper levels of management and the Board

## *Management:*

- Making all decisions
- Preparation of financial statements in conformity with US Generally Accepted Accounting Principles
- Selecting and applying appropriate accounting policies and internal controls
- Providing a representation letter at the conclusion of the audit

## *Governance, the Board:*

- Appointing us as your auditor and overseeing our work
- Resolving disputes that arise between Management and the audit team, if any
- Informing us of any known or suspicions of fraud or noncompliance

# Audit Approach – Risk Communication

*Based on our previous audit experience we have identified the following as significant audit risks:*

- Management override of internal controls
- Improper revenue recognition
  
- These risks are based on our experience and knowledge of the University's operations.
- Should there be any changes to these significant risks based on current year audit procedures, we will notify the Audit Committee

# Independence

- We are engaged to audit and prepare tax filings for the Foundation
- No consulting services provided outside of routine advice related to accounting and tax matters
- We will provide non-attest services to be overseen by University Management:
  - Assistance with review of the financial statements and Schedule of Federal Awards
  - Assistance with calculation of Lease and Subscription-based Service Arrangement asset and liabilities
  - Assistance with Data Collection Form
- Withum employs Dan Currier, former Student Trustee
  - Dan is not assigned to the FY26 audits of the University or Foundation as to not overlap any audit work in the period which he may have had decision making abilities

# New GASB Pronouncements

## ***GASB 103- Financial Reporting Model Improvements***

- Effective for FY2026
- The objective is to improve key components of the financial reporting model. Key impact areas are;
  - Management Discussion and Analysis (MD&A)
  - Statement of Revenues and Expenses
- Impact to the Colleges and Universities is expected to be in the contents and formatting of the MD&A and the grouping of revenues and expenses on the Statement of Revenues and Expenses

# New GASB Pronouncements

## ***GASB 104- Disclosure of Certain Capital Assets***

- Effective for FY2026
- The objective is to improve and expand on disclosures for capital assets.
  - Focus is on more informative disclosures on value and accumulated depreciation for each asset classification.
  - Additional disclosures for capital assets held for sale.
- Impact to the Colleges and Universities is expected to be additional/expanded financial statement disclosures.

# Questions/Concerns

*Any areas of concern that need to be investigated?*

*Other items to be discussed which might have an effect on the annual audit:*

- *Fraud or allegations of fraud.*
- *Settled, pending, or threatened legal action.*

# Peer Review Report



## Report on the Firm's System of Quality Control

To the Shareholders of WithumSmith+Brown, PC  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of WithumSmith+Brown, PC (the "Firm") applicable to engagements not subject to Public Company Accounting Oversight Board ("PCAOB") permanent inspection in effect for the year ended June 30, 2025. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the Firm's system of quality control based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; and examinations of service organizations (SOC 1<sup>®</sup> and SOC 2<sup>®</sup> engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of WithumSmith+Brown, PC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2025, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. WithumSmith+Brown, PC has received a peer review rating of *pass*.

*Cherry Bekaert LLP*

Atlanta, Georgia  
January 16, 2026

## **Enterprise Risk Management Final Report** **June 2026**

### *Summary of Progress on Top Institutional Risks*

Phase 1 established a foundational ERM framework, identified the University's top institutional risks, and initiated structured risk treatment planning led by risk owners.

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### **Top Institutional Risks (2025)**

The University prioritized three enterprise risks:

1. Cybersecurity
2. Deferred Maintenance
3. Enrollment & Retention

These risks were identified through data-driven assessment, stakeholder input, and institutional analysis. These risks were selected based on their potential impact to institutional stability, financial sustainability, and student success.

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### **Program Achievements**

Phase 1 successfully transitioned ERM from concept to implementation:

- Established a formal ERM methodology (risk identification, assessment, treatment, monitoring)
- Assigned executive-level Risk Leads
- Developed Key Performance Indicators (KPIs) tied to each risk
- Created risk tracking tools, including:
  - Risk heat maps
  - Comparative risk scoring
  - Progress tracking framework
- Embedded ERM into operational and strategic conversations

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### **Progress by Risk Area**

#### **1. Cybersecurity – Strong Progress**

- Key components (e.g., perimeter defense) are fully implemented
- Patch management and access control are substantially advanced (~85% complete)
- Ongoing investments in infrastructure and monitoring continue

**Overall Status:** *Advanced / Near Full Implementation*

**2. Deferred Maintenance – Moderate Progress**

- Infrastructure studies completed (water, electrical, steam systems)
- Multi-year capital investments initiated
- Major projects underway (mechanical systems, campus improvements)

**Overall Status:** *In Progress (long-term, resource-dependent)*

**3. Enrollment & Retention – Developing Progress**

- Strategic Enrollment Committee established
- Financial aid strategy implemented
- Retention program launched with state funding

**Overall Status:** *In Progress (strategic initiatives still maturing)*

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**Key Observations**

- Cybersecurity demonstrates the strongest maturity due to defined controls and measurable KPIs
- Deferred Maintenance remains a long-term capital challenge requiring sustained funding
- Enrollment & Retention is being actively addressed through new strategic initiatives but requires time to yield outcomes

## **Phase 2 ERM Timeline (2026–2027)**

**Objective:** Refresh risk portfolio, deepen mitigation strategies, and enhance reporting maturity

### **Timeline**

#### **June – July 2026**

- Finalize Phase 1 reporting
  - Prepare updated risk assessment tools
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#### **August – September 2026**

##### **Risk Identification & Assessment**

- Conduct enterprise-wide risk survey
- Update risk heat map

##### **Deliverable:**

- Updated Top Institutional Risks (2026–2027)
  - Preliminary risk prioritization
- 

#### **October 2026**

##### **Risk Treatment Planning**

- Work with Risk Leads to:
  - Define mitigation strategies
  - Establish KPIs
  - Align actions with strategic goals

##### **Deliverable:**

- Formal Risk Treatment Plans
- 

#### **November – December 2026**

##### **Validation & Alignment**

- Executive leadership review
- Alignment with budget and strategic planning processes

##### **Deliverable:**

- Finalized ERM portfolio
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**January 2027**

**Board Reporting**

- Present updated risks and mitigation plans to Board of Trustees

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**February – June 2027**

**Monitoring & Reporting**

- Progress updates
- KPI tracking
- Ongoing facilitation with risk owners