



Board of Trustees

Audit Committee

Minutes

Springfield Public Schools Central Office Boardroom

1550 Main Street, Springfield, Massachusetts

October 22, 2018

Board of Trustees committee members in attendance: Committee Chair Martinez-Alvarez, Vice Chair Hill, Secretary Magovern, and Trustee Landrau.

Excused absence: Trustee Slakey

Trustee guests present: Trustee Queenin

The meeting was called to order at 2:30 PM by Committee Chair Martinez-Alvarez, who thanked the committee members for being at the meeting to perform their due diligence in the matter brought before them. She continued that there was one item for discussion on the agenda which was the Fraud, Waste and Abuse Report titled "Whistleblower Report – Bonuses" sent to the Board of Trustees by email on September 7, 2018 and referred back to the Audit Committee at the full board meeting on October 9, 2018 for investigation and further action the committee believes is appropriate.

Committee Chair Martinez-Alvarez directed the trustees to the Whistleblower Policy, and pointed out the following language:

Under Introduction, in the first paragraph it reads, "When the University becomes aware of potential violations, it has a responsibility to investigate such allegations promptly," which is the reason for holding this meeting prior to the next scheduled committee meeting. Under Reporting Allegations of Suspected Improper Activities, in the second paragraph of section 2 it states, "The President shall inform the Audit Committee Chair of any reports involving senior officers or the URO," and under the same heading, section 5 states, "Reports involving the President shall be investigated by the Board of Trustees."

In accordance with the Whistleblower Policy, Committee Chair Martinez-Alvarez recommended that the committee refer the Fraud, Waste and Abuse Report to University counsel, Rubin and Rudman, LLP, to conduct the investigation as they have the resources, time and expertise to investigate this type of report. She also recommended that Rubin and Rudman report their findings to the committee before the next board meeting scheduled for December 5, 2018. Committee Chair Martinez-Alvarez will remain the liaison to the attorneys during the investigation.

Committee Chair Martinez-Alvarez stated that the meeting was being recorded by a member of the public and that she had been advised of that prior to the start of the meeting. She continued by asking for a motion to direct Rubin and Rudman, LLP to investigate the Fraud, Waste and Abuse Report.

MOTION was made by Trustee Hill, seconded by Trustee Landrau, to direct the Chair of the Audit Committee to provide to the university's counsel, Rubin and Rudman LLP, the Fraud, Waste and Abuse Report as well as the accompanying material submitted with this Report for review and investigation. The findings of the investigation by Rubin and Rudman LLP will be presented to the Audit Committee prior to the next December Board of Trustees meeting. **There being no further discussion, Motion passed unanimously.**

There being no further business, Committee Chair Martinez-Alvarez asked for a motion to adjourn.

MOTION was made by Trustee Magovern, seconded by Trustee Landrau, to adjourn.
Motion passed unanimously.

The meeting was adjourned at 2:34 PM.

Attachments presented at this meeting:

- a. Fraud, Waste & Abuse Report
- b. Approval for Bonuses
- c. Information Request to HR
- d. Question about Non-Unit Professionals Personnel Policies Handbook 071918
- e. Contingency Funds
- f. FY18 Budget Requests
- g. FY19 Budget Requests
- h. Bonuses Paid to Employees of WSU
- i. Budget Motion
- j. Materials 6-7-2018 Meeting (Finance and Capital Assets Committee)
- k. BHE Standards for Expenditure of Trust Funds
- l. NUP Handbook SU Revised July 2016
- m. Motion-Provide Report to University Counsel
- n. Reporting Violations of Laws, Rules or Regulations (Whistleblower Policy)