



## **Board of Trustees**

### **Audit Committee**

April 22, 2025

1:00 p.m.

President's Boardroom, Horace Mann Center

Committee Members: Chair Theresa Jasmin, Vice Chair William Reichelt, Secretary Michael O'Rourke, Melissa Alvarado, Tessa Lucey, Dr. Gloria Williams

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. February 20, 2025                                        | Committee Chair Jasmin |
| <b>3. Items for Action</b>                                  |                        |
| a. Motion – Engagement of Financial Audit Services for FY25 | Lisa Freeman           |
| <b>4. Items for Discussion</b>                              |                        |
| a. Enterprise Risk Management Update                        | Sam Lemanski           |
| b. Audit Tracker Review                                     | Stephen Taksar         |
| c. Annual Charter Review                                    | Committee Chair Jasmin |
| <b>5. Adjournment</b>                                       | Committee Chair Jasmin |

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

- a. Minutes 2-20-25 (Draft)
- b. Motion – Engagement of Financial Audit Services for FY25
- c. Engagement of Financial Audit Services (Financial Statements)
- d. Engagement of Financial Audit Services (MOSFA Audit)
- e. Enterprise Risk Management Update
- f. Audit Tracker
- g. Audit Committee Charter



## Board of Trustees

### Audit Committee

February 20, 2025

#### Minutes

8:30 AM – 9:00 AM

Owl's Nest, Ely Campus Center

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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**Committee Members Present:** Vice Chair William Reichelt, Secretary Michael O'Rourke, Members: Tessa Lucey.

**Participating Remotely:** Committee Chair Theresa Jasmin

**Members Excused:** Trustees Melissa Alvarado and Dr. Gloria Williams

Also present were Westfield State University President, Dr. Linda Thompson; Provost and Vice President for Academic Affairs, Dr. William Salka; Special Assistant to the President and Chief of Staff, Dr. Michael Freeman; Vice President for Administration and Finance, Stephen Taksar; Vice President of Institutional Advancement, Lisa McMahon; Vice President for Enrollment Management and Student Affairs, Dr. Kevin Hearn; Director of Athletics, Richard Lenfest; General Counsel, Melinda Phelps; Assistant Vice President for Information and Instructional Technology, Alan Blair; and Associate Provost, Brian Jennings. Participating was Kate Jun and Ryan Sheehan of WithumSmith and Brown P.C.

Committee Chair Theresa Jasmin called the meeting to order at 8:38 a.m., conducted a roll call of committee members, and stated the meeting was being livestreamed and recorded.

**MOTION** made by Trustee Reichelt second by Trustee O'Rourke to approve the meeting minutes of December 9, 2024. A roll call was completed. **Motion passed.**

#### Uniform Guidance Report

Kate Jun and Ryan Sheehan from WithumSmith and Brown P.C. reported the following;

- There are two parts to every audit: the financial statement audit and the single audit.
- Any entity that gets over \$750,000 in federal aid also has a single audit component to it.

#### **Single Audit**

- Westfield State University will always have a single audit because of the large student population and amount of aid given out.
- Within the single audit requirements, auditors have to look at 20% of total CEFA expenses.
- Student financial aid awards are nearly always examined every year.
- Auditors also look at other programs that are less than the \$750,000 mark

#### **Schedule of Federal Expenditures**

- Student financial aid makes up nearly 95% of total expenses for the year.

- Risk assessment included looking at the post-secondary education program.
- Audit procedures include checking student awards, eligibility, and school processing.
- A finding was noted: one student's change in status was reported at 61 days instead of within 60 days.
  - "These are not uncommon. It's actually more uncommon to not have any findings which we haven't had on Westfield the last two years."
  - "There is no materiality. It's compliance testing. I mean one day it's in the grand scheme of things, it really didn't change anything."

#### **NSLDS Submission Finding**

- The student wasn't shortchanged as far as the amount of awards that they received.
- The finding is a reporting tool for when the student is required to start paying back their loans because of the six-month grace period.
  - Schools are required to report status changes in 60 days.
- Management will enhance their review procedures and use a target date of 50 days instead of 60.
- The finding doesn't impact the financial statements.
  - "It is very common that schools have at least one finding and the NSLDS submission is the most common out of all the findings."

**MOTION** made by Trustee O'Rourke seconded by Trustee Lucey, the Audit Committee recommends approval to the full Board: To accept the audit report on the audit procedures required pursuant to the Office of Management and Budget (OMB) Uniform Guidance for fiscal year ending June 30, 2024, as prepared by the firm of WithumSmith and Brown P.C., and to authorize the submission of this report to the Federal Audit Clearinghouse and to other parties as required by OMB Uniform Guidance and the Commonwealth of Massachusetts. A roll call was completed. **Motion passed.**

#### **Release of Student Directory Information Policy (0290)**

- The review of university policies was charged to General Counsel Melinda Phelps by the Chair and President Thompson in September.
  - The goal is to update policies, check statutory references, and ensure changes are accounted for.
- The first policy presented is the student directory information under FERPA (Family Educational Rights and Privacy Act of 1974).
  - FERPA protects students' education records as a private matter.
  - FERPA applies to K-12, making educational records confidential to the parent of the minor child.
  - FERPA provides exceptions to the privacy right, including directory information.
- Institutions can define what records are released to a third party without student consent.
- FERPA provides a list (student name, photo, DOB, etc.) for institutions to choose from as directory information.
- Policy 0290 includes every option FERPA provides, which is considered too broad, especially regarding student photos.
- The proposal is to rescind 0290 and allow the President and Registrar to reformulate the definition of directory information, with student input via the Registrar's office. Students can opt out.

**MOTION** made by Trustee Lucey seconded by Trustee O'Rourke The Audit Committee recommends approval to the full Board: To rescind the Release of Student Directory information Policy #0290 and refer the administrative matter to the President and the Registrar. A roll call was completed. **Motion passed.**

### **Internal Audit Update**

- Internal audit is about a month behind schedule due to staffing issues but are resuming work, including interviews and on-site inspections and will also review policies, controls, and procedures.
- The security audit is about halfway done.
- Accounts payable audit will start as soon as the security audit is finished, possibly drifting into the nexus security audit.
- Testing is still ongoing with an "April ish timeframe" for past recommendations.
- Internal audits are in their second year, focusing on policies, procedures, compliance, and best practices.

There being no further business, **MOTION** made by Trustee Reichelt and seconded by Trustee O'Rourke to adjourn the meeting. There being no discussion, **motion passed unanimously**. Meeting adjourned at 8:55 a.m.

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

- a. Minutes 12-9-24 (Draft)
- b. Motion – Uniform Guidance Report
- c. Uniform Guidance Report (Draft)
- d. Motion – Release of Student Directory Information Policy (0290)
- e. Policy – Release of Student Directory Information (0290)

### **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 February 20. 2025.

\_\_\_\_\_  
Michael O'Rourke, Secretary

\_\_\_\_\_  
Date



## **Board of Trustees**

April 22, 2025

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### **MOTION**

The Audit Committee recommends approval to the full Board:

To engage the financial audit services of WithumSmith & Brown, PC, for FY25.

April 10, 2025

Ms. Theresa Jasmin, Audit Committee Chair  
Westfield State University  
577 Western Avenue,  
Westfield MA 01086

Dear Ms. Jasmin:

You have requested that WithumSmith+Brown, PC ("Withum" or "we") audit the basic financial statements, and the business-type activities of Westfield State University (the "University") as of and for the year ending June 30, 2025, and the related notes. The audit is referred to as the "Services" and is comprised of the University's basic financial statements (the "financial statements").

In addition, we will audit the University's compliance over major federal award programs for the year ended June 30, 2025. Our audits will be conducted with the objectives of our expressing an opinion on the financial statements and an opinion on compliance regarding the University's major federal award program(s).

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this engagement letter ("Engagement Letter"). Please read the Engagement Letter and Attachment A attached hereto (collectively the "Agreement") carefully because it is important to both Withum and you that you understand what you can and cannot expect from Withum's work.

Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the University's major federal award program(s). The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America ("GAAS"), and *Government Auditing Standards* issued by the Comptroller General of the United States of America ("GAGAS") will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the University complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and GAGAS, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America ("U.S. GAAP"), as promulgated by the Governmental Accounting Standards Board ("GASB") require certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement the Association's basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

As part of our engagement, we will apply certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, ("U.S. GAAS"). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI.

The following RSI is required by U.S. GAAP but will not be audited:

- Schedule of Proportionate Share of Net Pension Liability
- Schedule of Contributions-Pension
- Notes to the Required Supplementary Information-Pension
- Schedule of Proportionate Share of OPEB Liability
- Schedule of Contributions-OPEB
- Notes to the Required Supplementary Information-OPEB

We have also been engaged to report on supplementary information other than RSI that accompanies the University's financial statements.

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- Schedule of Net Position-Dormitory Trust Fund Report
- Schedules of Revenues, Expenses and Changes in Net Position-Dormitory Trust Fund Report

## **AUDIT OF THE FINANCIAL STATEMENTS**

We will conduct our audit in accordance with GAAS, GAGAS; and the audit requirements of Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). As part of an audit of financial statements in accordance with GAAS and GAGAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and GAGAS. Please note that the determination of abuse is subjective, and GAGAS does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the University's basic financial statements. Our report will be addressed to the Board of Trustees of the University. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

#### **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with GAAS. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

#### **COMPLIANCE WITH LAWS AND REGULATIONS**

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the University's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

#### **AUDIT OF MAJOR PROGRAM COMPLIANCE**

Our audit of the University's major federal award program compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the provisions of the Uniform Guidance; and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, as applicable, and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award program(s), and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, GAGAS, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the federal award program(s) as a whole.

As part of a compliance audit in accordance with GAAS, GAGAS, and the Uniform Guidance we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal program(s) and performing the applicable procedures described in the U.S. Office of Management and Budget OMB *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the University's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the University's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the University's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the University's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the University's major federal award program(s), and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

## **MANAGEMENT RESPONSIBILITIES**

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

- For the preparation and fair presentation of the financial statements in accordance with U.S. GAAP;
- For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
- For identifying, in its accounts, all federal awards received and expended during the period and the federal program(s) under which they were received;
- For maintaining records that adequately identify the source and application of funds for federal funded activities;
- For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance requirements;

- For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the University is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award(s);
- For identifying and ensuring that the University complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
- For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
- For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
- For taking prompt action when instances of noncompliance are identified;
- For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
- For submitting the reporting package and data collection form to the appropriate parties;
- For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
- To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including disclosures, and relevant to federal award program(s), such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the University from whom we determine it necessary to obtain audit evidence.
- For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- For informing us of any known or suspected fraud affecting the University involving management, employees with a significant role in internal control and others where fraud could have a material effect on the financials and compliance;
- For the accuracy and completeness of all information provided;

- For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
- For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the other supplementary information, the required supplementary information, and the schedule of expenditures of federal awards in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding the other supplementary information, the required supplementary information, and the schedule of expenditures of federal awards, (c) to include our report on the other supplementary information, the required supplementary information, and the schedule of expenditures of federal awards in any document that contains the supplementary information and that indicates that we have reported on such supplementary information and schedule, and (d) to present the other supplementary information, the required supplementary information, and the schedule of expenditures of federal awards with the audited financial statements, or if the other supplementary information, the required supplementary information, and the schedule of expenditures of federal awards will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information and schedule no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from the management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

## **NONATTEST SERVICES**

With respect to any nonattest services we perform, we agree to perform the following:

- Propose adjusting or correcting journal entries to be reviewed and approved by University's management.
- Assist with the preparation of the University's financial statements (and supplementary information, as applicable).
- Assist with implementation of new accounting pronouncements.
- Assist with the preparation of the schedule of expenditures of federal awards and related note disclosures.
- Assist with the preparation of the data collection form.
- Assistance with the maintenance and calculation of the GASB 87, Leases, asset and liability and related footnotes.
- Assistance with the maintenance and calculation of GASB 96, Subscription-based Information Technology Arrangements.

We will not assume management responsibilities on behalf of the University. However, we will provide advice and recommendations to assist management of the University in performing its responsibilities.

The non-attest services that we will perform do not constitute audit services in accordance with GAGAS.

The University's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

You have designated Lisa Freeman, Associate Vice President, Finance to be responsible for these services and have determined that this designated person has suitable skills, knowledge, and experience to oversee such services.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

## **REPORTING**

As you are aware, Withum only provides a locked version of its audit report and the accompanying financial statements ("Locked Deliverable"). Providing only a Locked Deliverable is for the protection of both you and Withum. You have requested that Withum provide you with an unlocked copy of the deliverable ("Unlocked Deliverable"). Providing an Unlocked Deliverable is not within Withum's standard procedures. In order for Withum to provide you with the Unlocked Deliverable as you have requested, you agree to accept all liability whatsoever and indemnify and hold Withum harmless from any claims, damages, or adverse actions of any kind that occurs directly or indirectly as a result of Withum providing you with the Unlocked Deliverable.

In accordance with the requirements of GAGAS, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

## **OTHER**

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the financial statements along with an annual report, offering documents or other financial and non-financial information (described as "Other Information" in auditing standards) and make reference to our firm, you agree to provide us a copy of this Other Information for our review and approval before such publication. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

During the course of the engagement, we may communicate with you or your personnel via email or other electronic means, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications. The University's data provided to Withum is hosted and maintained by a third-party cloud-based content management solution. Withum requires that all confidential, proprietary, and personally identifiable information be uploaded directly to this third-party cloud-based content management solution and not sent by electronic mail. In the event confidential, proprietary, or personally identifiable information is sent by you to Withum through email you agree that Withum will not be responsible for incomplete, lost, late, damaged, illegible, stolen, or misdirected email, mobile messages, or any other electronic transmitted information. You agree and acknowledge to the use of such communications during the conduct of our audit.

The audit documentation for this engagement is the property of Withum and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators or other parties pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Withum's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators or other parties. The regulators or other parties may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this Engagement letter, you affirm that you have all the data and records required to make your books and records complete.

This document is a matter of public record in accordance with the laws of Massachusetts.

We expect to begin our audit on or around June 1, 2025 and to have the audit substantially completed by October 15, 2025.

Ryan Sheehan is the engagement partner for the audit Services specified in this letter. His responsibilities include supervising Withum's Services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the University's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

## FEES, INVOICING AND PAYMENT TERMS

Our fees are based on the amount of time required at various levels of responsibility based on our standard hourly rates, plus actual out-of-pocket expenses. We estimate that our fee for the engagement will be \$88,500 which includes testing of one major program as part of the Single Audit. Any additional single audit programs will be billed at \$4,775. Fees for non-attest services related to GASB 87 and GASB 96 will be billed at standard billing rates, estimated to be in the range of \$7,500-\$8,500, unless there are unforeseen circumstances, such as information not being available to us in a timely manner. This fee is predicated on the understanding that we will use the University's personnel to assist in the preparation of schedules and analyses of accounts. This effort is also critical towards facilitating the timely conclusion of the audit.

We will notify you immediately of any circumstances we encounter that could significantly affect this estimate. Our estimated fees are based upon the current organizational structure and existing regulations and do not consider nonroutine transactions that have not been contemplated. Time incurred related to nonroutine transactions during the year will be billed as the Services are performed.

Invoices will be rendered monthly and will reflect the progress billings received. If any payment is past due in excess of 30 days, we may at our election, stop work until such payments are brought current, or we may withdraw from the engagement. The University agrees that we are not required to continue work in the event of the University's failure to make the above payments on a timely basis for Services rendered, as required by this engagement letter. In addition, a finance charge of 1.5% per month (18% annually) will be charged on any balance 60 days or over. The University acknowledges that Withum shall not be liable to the University for any damages that may occur as a result of Withum's ceasing to render Services as a result of the University's failure to make such payments in accordance with the terms of this Agreement.

We will provide you with separate engagement letters for any additional Services that may be requested, and we agree to perform.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

#### **DATA COLLECTION FORM**

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts, and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings, and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditor's reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

#### **PEER REVIEW REPORT**

In accordance with the requirements of GAGAS, we have attached a copy of our latest external peer review report of our firm and peer review acceptance letter for your consideration and files.

#### **AUTHORIZATION**

This Agreement sets forth the entire understanding between the University and Withum regarding the provision of the Services described herein and supersedes any previous proposals, correspondence, and understandings, whether written or oral. To the extent Withum is performing an audit or other attest engagement for either the University or a related party of the University, any provision in this Agreement which would impair independence for such engagement would be null and void. Further, if any provision of this Agreement is determined to be unenforceable or invalid, all other provisions shall remain in force. Withum appreciates the opportunity to be of service to the University. Should you have any questions regarding this Agreement, or need further information, please do not hesitate to contact us.

If the above agrees with your understanding of the terms of our Agreement, please sign in the space indicated and return it to us at your earliest convenience.

Respectfully submitted,



**WithumSmith+Brown, PC**

**RESPONSE:**

This Agreement correctly sets forth our understanding.

Acknowledged and agreed on behalf of Westfield State University by:

Signature: \_\_\_\_\_  
Theresa Jasmin, Audit Committee Chair

Date: \_\_\_\_\_



National Peer  
Review Committee

February 17, 2023

William Hagaman  
WithumSmith+Brown, PC  
1 Spring St  
New Brunswick, NJ 08901-2276

Dear William Hagaman:

It is my pleasure to notify you that on February 16, 2023, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2025. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael Wagner", with a stylized, cursive script.

Michael Wagner  
Chair, National PRC

+1.919.402.4502

cc: Jeffrey Sabetta, David Dacey

Firm Number: 900010077278

Review Number: 594738



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

January 4, 2023

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 PCAOB permanent inspection in effect for the year ended June 30, 2022. 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, 2022, 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*

Cherry Bekaert LLP

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**WITHUM ENGAGEMENT TERMS**

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The terms in this Attachment A apply to the Agreement described in the Engagement Letter dated April 10, 2025 and apply to any additional work Withum, its affiliates, and subsidiaries ("Withum") may be asked to perform for Client in an amendment or addendum to the Engagement Letter. In the event that there is a conflict between the Engagement Letter and this Attachment A, the terms of Attachment A shall control, unless specifically stated otherwise in the Engagement Letter. All capitalized terms used herein that are undefined shall have the meaning provided elsewhere in the Agreement.

1. **Cooperation and Participation.** Withum shall endeavor to be alert to any information provided by or on behalf of Client that is incorrect or missing and shall apply its normal diligence in this regard; nevertheless, Withum shall be entitled to rely on the accuracy, completeness, and reliability of all information provided by, and on all decisions and approvals of Client (and Client's retained advisors, consultants, or legal counsel) and we will perform the Services on that basis. Further, Client is responsible to authorize third parties to provide information to Withum upon request that we require to perform the Services.
2. **Use and Reliance.** Subject to Client's rights in its confidential information, the work papers associated with the Services pursuant to the Agreement are the property of Withum and constitute proprietary information. Withum shall retain ownership of such work papers and additional consent may be required if work papers are requested. The Services, including the deliverables, are provided solely for your use and purpose as set forth in the Engagement Letter. Withum's Services, deliverables or other work product shall not be relied upon by any third parties in any manner or for any purpose; this Engagement does not create privity between Withum and any third party.
3. **Confidentiality.** In connection with this Engagement, Withum will come into possession of proprietary or confidential information of the Client ("Confidential Information"). Withum will not disclose such Confidential Information to any third party except (a) as may be required by law, regulation, judicial or administrative process, or (b) in accordance with applicable professional standards, provided that, to the extent legally permissible, Withum provides Client with prompt notice of such requirement so that Client, at Client's sole cost and expense, may seek a protective order or otherwise try to limit disclosure. Notwithstanding the foregoing, Confidential Information shall not include such information that (i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure by Withum in breach hereof, (ii) becomes available to Withum on a nonconfidential basis from a source other than Client which Withum believes is not prohibited from disclosing such information to Withum by obligation to Client, (iii) is known by Withum prior to its receipt from Client without any obligation of confidentiality with respect thereto, or (iv) is developed by Withum independently of any disclosures made by Client to Withum of such information.

Withum may utilize third-party service providers, including cloud-based service providers, who may collect, use, transfer, transmit, store, or otherwise process Client confidential information in connection with the delivery of certain services and Client consents to their use. Withum will ensure that it maintains appropriate policies, procedures and safeguards to protect the confidentiality of Client confidential information. In addition, to the extent possible and practicable we will ensure that our agreements with all third-party service providers contain appropriate provisions to protect Client confidential information. We may use electronic media to transmit Client confidential information and such use in itself will not constitute a breach of any security or confidentiality obligation. Client acknowledges that Withum has no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of electronic devices and applications in the delivery of the services.

4. **Agreed-Upon Scope of Work.** Withum shall be obligated only for work or deliverables specified in the Agreement referencing these terms, and only for changes in such scope that are set forth in writing and duly executed by the parties hereto. To the extent all specific details of the Engagement are not so documented, the parties shall work diligently and in good faith to document them at the request of either party. Unless expressly provided for, Withum's Services do not include giving testimony or appearing or participating in discovery proceedings, in administrative hearings, in court, or in other legal or regulatory inquiries or proceedings.
5. **Access to Resources and Information.** Unless specified herein as the responsibility of Withum to provide, Client shall have obtained for Withum, on a timely basis, any internal and third-party permissions, licenses, or approvals that are required for Withum to perform the Services contemplated hereunder (such as access to any cloud-based, web-accessed or data room hosted by a third party that either you or such third party is responsible for ensuring the confidentiality of). Client shall also provide Withum, on a timely basis, with such information, approvals, and assistance as may be necessary to Withum's work or as may reasonably be requested.
6. **External Factors: Standards of Performance.** Client acknowledges that this Engagement will involve analysis, judgment, and other performance from time to time in a context where the participation of Client or others is necessary, where answers often are not certain or verifiable in advance, and where facts and available information change with time. Accordingly, evaluation of Withum's performance of its obligations shall be based solely on its substantial conformance with any standards or specifications expressly set forth in this Agreement and all applicable professional standards, any such nonconformance (and applicability) to be clearly and convincingly shown. It is understood that unless Client and Withum agree otherwise, in writing, Withum shall have no responsibility to update any of its work after its completion.
7. **Engagement Staffing.** Withum may utilize its affiliates, subsidiaries, and third parties, including contractors and subcontractors to assist in performing the Services. These parties and their personnel may be located within or outside the United States. We may also use personnel from Withum-related entities (including Withum's India office team members). Withum remains responsible to Client for such parties who assist in providing the Services hereunder. Client consents and authorizes us to disclose client information to the foregoing parties for the purpose of providing Services to Client.

8. **Business Risk Allocations.** With respect to the Services, and any related work product or other deliverables, pursuant to the Agreement, Withum's liability shall in no event exceed the fees paid or payable for the Services hereunder; provided however, this limitation shall not apply to acts or omissions by Withum that constitute Withum's gross negligence or willful misconduct. Withum shall not be liable for any special, consequential, punitive, incidental, or exemplary damages. Also, because of the importance of the information that Client provides with respect to Withum's ability to perform the Services, Client hereby releases Withum and its partners, principals, and employees from any liabilities, costs, fees, expenses, and damages (including defense costs), relating to the Services hereunder, that are attributable to any information provided by Client or Client's agents that is not complete, accurate, or current.

Upon the receipt of notice, Client shall be responsible for any liabilities, costs, fees, expenses, and damages associated with any third-party claim arising from or relating to Client's misrepresentations and/or, false or incomplete information provided to Withum or third-party reliance on Withum's work product or deliverable without Withum's prior written consent.

9. **Statute of Limitations.** Client agrees that Withum shall not be liable for any claim arising out of or relating to the Agreement that is first asserted more than one (1) year after a Termination Event, as defined below, regardless of legal theory. This limitation shall apply for all purposes notwithstanding any law, statute, rule, or regulation to the contrary.

10. **Termination.**

- a) This Engagement ends upon the earlier of (i) delivery of the final work product, or (ii) where applicable, filing of the final work product for which Withum was engaged, or (iii) in the event no final work product is delivered or filed, the Engagement shall end on the date which the last invoice for the Services was issued, not including any subsequent account payable reminder, revised bill, or other communications concerning completed Services or future Services.
- b) We acknowledge your right to terminate Withum's Services at any time and you acknowledge Withum's right to resign at any time (including instances where in our judgment, our independence has been impaired or we can no longer rely on the integrity of Client or Client's agents), subject in either case to Withum's right to payment for all fees incurred through the date of termination or resignation or thereafter as circumstances and this Agreement may require. In the event the Client or Withum exercises the right to terminate Withum's Services, such termination shall be in writing and shall be effective upon delivery by mail, overnight mail, or email transmission with a Read Receipt requested.
- c) The termination events set forth in this Section 11 shall each be referred to as a "Termination Event".

11. **Record Retention.** It is our policy to keep records related to this Engagement for a period of eight (8) years in accordance with our document retention policy. Generally, Withum stores a computerized PDF document of your records. We will return all original documents forwarded to us at the completion of the Services rendered under this Engagement. When records are returned to you, it is your responsibility to retain and protect such records for possible future use, including potential examination by any government or regulatory agencies. By your signature above, you acknowledge and agree that upon the expiration of the 8-year document retention period Withum shall be free to destroy its records related to this Engagement.

12. **Subpoena Request.** In the event Withum, its successors, and assigns, partners, principals, or employees are requested by Client, or Withum is required by government regulations, subpoena, or other legal process, to produce documents or our personnel as witnesses with respect to its Engagement(s) for Client, so long as Withum is not a party to the proceeding in which the information is sought, Client will reimburse us for our professional time and expense, as well as the reasonable fees and expenses of our counsel, incurred in responding to such requests.
13. **Withum Personnel.** Withum strives to staff Engagements with qualified and well-trained professionals. In recognition of the extensive investment made to recruit and develop its personnel, Client agrees that it shall not solicit for employment any of Withum's employees assigned to your Engagement during the term of the Agreement and for twelve (12) months after a Termination Event. In the event Client breaches this Section 14, Client shall pay to Withum a placement fee equal to the employee's annual compensation in effect on the date such employment was accepted by employee. This Section 14 shall not apply to, and no fee shall be payable for, general solicitations of employment not specifically directed toward Withum or its employees.
14. **Third-Party Service Providers.** Further, Withum may, from time to time, and depending on the circumstances, use third-party service providers to assist it with the Services rendered. We may share confidential information with the third-party service providers but remain committed to maintaining the confidentiality of the Client's information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. Withum will remain responsible for the work performed by such third-party service providers.
15. **General.**
- a) Other than a payment obligation, neither party shall be liable to the other as a result of any delay or failure to perform its obligations under the Agreement as a result of a Force Majeure Event. For the purposes of the Agreement, "Force Majeure Event" means an event beyond the reasonable control of the affected party, including, but not limited to, strikes, lockouts, act of God, war, riot, civil commotion, compliance with any law or governmental order, rule, regulation, or direction, or natural disaster.
  - b) Except to the extent expressly provided hereto to the contrary, the Agreement is between Withum and the Client listed herein. Third-party beneficiaries are not intended under the Agreement.
  - c) Neither party shall use the other party's name or trademarks or publish any identifying information about the other party in any public manner without obtaining that party's prior written consent; provided, however, Client consents that Withum is permitted to inform other parties that they are a client of Withum.
  - d) Client will in all events remain responsible for the care and control of its information and recordkeeping. Client is responsible to obtain any missing information whether personally or from third party sources as well as clarifying or answering any questions which may arise during the course of the Engagement. The completeness and timeliness of the flow of information may affect the expected completion date of this Engagement.
  - e) Each party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency, or fiduciary relationship.
  - f) Neither party shall assign any rights, obligations, or claims relating to the Agreement unless agreed to in a writing between the parties.
  - g) The invalidity or unenforceability of any provisions of the Engagement Letter or these Engagement Terms shall not affect the validity or enforceability of any other provision.

- h) Each party hereto agrees that any electronic signature is intended to authenticate a written signature, shall be valid, and shall have the same force and effect as a manual signature. For purposes hereof, “electronic signature” includes, but is not limited to, a scanned copy of a manual signature, an electronic copy of a manual signature affixed to a document, a signature incorporated into a document utilizing touchscreen capabilities, or a digital signature. The Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement.

16. **HLB International.** Withum is a member of HLB International (“HLB”), a worldwide organization of accounting firms and business advisors. Each member of HLB, including Withum, is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions, and no member firm assumes liability for such acts or omissions.

Unless Withum specifically engages such HLB firm for the Agreement, neither Withum nor any of its affiliates are responsible or liable for any acts or omission of HLB or any other member firms and hereby specifically disclaim any and all responsibility, even if Withum or any of its affiliates are aware of such acts or omissions of another firm of HLB.

17. **Compliance with Economic Sanctions Laws and Regulations.** Client agrees that it will comply with all applicable anti-corruption, anti-money laundering, anti-bribery, and other economic sanctions laws and regulations (collectively, the “ABC/AML/Sanctions Laws”) in connection with the Agreement. Client further agrees that it shall not, and it shall procure its employees not to, pay or cause other person(s) to pay Withum using any funds that would result in a violation of any of the ABC/AML/Sanctions Laws by either Client or Withum, or otherwise take any action that would result in a violation of any of the applicable ABC/AML/Sanctions Laws by either Client or Withum. Client shall promptly notify Withum in the event of any violation or failure to comply with ABC/AML/Sanctions Laws in connection with this Agreement, or allegations relating thereto, by the Client or its directors, officers, employees, or agents.

18. **Corporate Transparency Act/Beneficial Ownership Reporting.** Assisting with Corporate Transparency Act (“CTA”) compliance, including beneficial ownership information (“BOI”) reporting, is not within the scope of this Engagement. To the extent reporting is applicable to you, you have sole responsibility for your compliance with CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA, if such compliance is required. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of CTA’s reporting requirements and issues surrounding the collection of relevant ownership information.

19. **Governing Law.** This contract shall be construed under and governed by the laws of the Commonwealth of Massachusetts.

April 11, 2025

Ms. Theresa Jasmin  
Audit Committee Chair  
Westfield State University  
577 Western Avenue  
Westfield, MA 01086

Dear Ms. Jasmin:

You have requested that WithumSmith+Brown, PC ("Withum") examine the compliance with the "Massachusetts Office of Student Financial Assistance - Student Financial Assistance Attestation Guide" of Westfield State University (the "University") as of the year ended June 30, 2025. We are pleased to confirm our acceptance and our understanding of this direct examination engagement by means of this engagement letter ("Engagement Letter"). Our examination will be conducted with the objective of obtaining reasonable assurance by measuring (or evaluating) the University's Massachusetts financial aid programs compliance with the requirements listed in the "Massachusetts Office of Student Financial Assistance – Student Financial Assistance Attestation Guide" and performing other procedures to obtain sufficient appropriate evidence to express an opinion in a written practitioner's report that conveys the results of our measurement (or evaluation).

Please read the Engagement Letter and Attachment A, attached hereto (collectively the "Agreement"), carefully because it is important to both Withum and you that you understand what you can and cannot expect from Withum's work.

## PRACTITIONER RESPONSIBILITIES

We will conduct our examination in accordance with the attestation standards established by the AICPA and the "Massachusetts Office of Student Financial Assistance - Student Financial Assistance Attestation Guide". An examination involves performing procedures to obtain evidence about the University's Massachusetts financial aid programs compliance with the requirements listed in the "Massachusetts Office of Student Financial Assistance – Student Financial Assistance Attestation Guide". The nature, timing, and extent of procedures selected depend on the practitioner's judgment, including the assessment of the risks of material misstatement of the underlying subject matter, whether due to fraud or error.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards. However, we will inform you of any material noncompliance with laws or regulations, uncorrected misstatements, fraud, and when relevant to the underlying subject matter or subject matter information, internal control deficiencies that come to our attention, unless clearly inconsequential.

Our responsibility is limited to the period covered by our examination and does not extend to any other periods.

## MANAGEMENT RESPONSIBILITIES

Our examination will be conducted on the basis that management acknowledge and understand that they have responsibility:

- For the preparation and presentation of the Massachusetts financial aid programs in accordance with the criteria established by the Massachusetts Office of Student Financial Assistance; and for selecting the criteria and determining such criteria are appropriate for your purposes;
- For the design, implementation, and maintenance of internal control to prevent, or detect and correct, misstatement of the Massachusetts financial aid programs due to fraud or error;
- For selecting the criteria for the measurement, evaluation, or disclosure of the Massachusetts financial aid programs;
- Determining that such criteria are suitable, will be available to the intended users, and are appropriate for the purpose of the engagement; and
- To provide us with:
  - Access to all information of which management is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter such as records, documentation, and other matters, and that you are responsible for the accuracy and completeness of that information;
  - Additional information that we may request from management for the purpose of the examination; and
  - Unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence.

As part of our examination process, we will request from management, written confirmation concerning representations made to us in connection with the examination.

Management has designated individuals to be responsible for these services, and you have determined that this designated person has suitable skills, knowledge, and experience to oversee such services.

We will not assume management responsibilities on behalf of the University. However, we will provide advice and recommendations to assist management of the University in performing its responsibilities.

The University's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards, including attestation standards established by the American Institute of Certified Public Accountants, and the "Massachusetts Office of Student Financial Assistance - Student Financial Assistance Attestation Guide".

- We will plan and perform the examination to obtain reasonable assurance about whether the University complied with the requirements listed in the "Massachusetts Office of Student Financial Assistance – Student Financial Assistance Attestation Guide". Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, or known and suspected fraud or noncompliance with laws or regulations, or internal control deficiencies that may exist. However, we will inform you of any known or suspected fraud and noncompliance with laws or regulations, internal control deficiencies identified during the engagement, and uncorrected misstatements that come to our attention unless clearly trivial.

## **REPORTING**

We will issue a written report upon completion of our examination of compliance with the "Massachusetts Office of Student Financial Assistance - Student Financial Assistance Attestation Guide" of the University. Our report will be addressed to the Board of Trustees of the University. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

## **OTHER**

If you intend to publish the examination report and make reference to our firm, you agree to provide us with a copy for our review and approval before such publication. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail or other electronic means, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications. The University data provided to Withum is hosted and maintained by a third-party cloud-based content management solution. Withum requires that all confidential, proprietary, and personally identifiable information be uploaded directly to this third-party cloud-based content management solution and not sent by electronic mail. In the event confidential, proprietary, or personally identifiable information is sent by you to Withum through email you agree that Withum will not be responsible for incomplete, lost, late, damaged, illegible, stolen, or misdirected email, mobile messages, or any other electronic transmitted information. You agree and acknowledge to the use of such communications during the conduct of our examination engagement.

Withum may, from time to time, and depending on the circumstances, use third-party service providers to assist us with the services rendered. We may share confidential information about you with the third-party service providers but remain committed to maintaining the confidentiality of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your information. Furthermore, Withum will remain responsible for the work performed by such third-party service providers. We will notify you and obtain your consent in the event that we need to utilize such third parties.

Regarding the electronic dissemination of the examination report published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the underlying subject matter or subject matter information.

Ryan Sheehan, CPA, is the engagement partner for the services specified in this Engagement Letter. His responsibilities include supervising our services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the attest report.

## ✚ FEES, INVOICING, AND PAYMENT TERMS

We plan to begin our examination in June 2025 and, unless unforeseeable problems are encountered, the engagement should be completed by December 2025. Our fees are based on the amount of time required at various levels of responsibility based on our standard hourly rates, plus actual out-of-pocket expenses. Whenever possible, we will attempt to use the University's personnel to assist in the preparation of schedules and analyses of accounts. We estimate that our fee for the examination will be \$6,000. We will notify you immediately of any circumstances we encounter that could significantly affect our fees.

Invoices will be rendered monthly and will reflect the progress billings received. If any payment is past due in excess of 30 days, we may, at our election, stop work until such payments are brought current or we may withdraw from the engagement. The University agrees that we are not required to continue work in the event of the University's failure to make the above payments on a timely basis for services rendered, as required by this Engagement Letter. The University acknowledges that Withum shall not be liable to the University for any damages that may occur as a result of Withum's ceasing to render services.

We will provide you with separate engagement letters for any additional services that may be requested, and we agree to perform.

## ✚ AUTHORIZATION

This Agreement sets forth the entire understanding between the University and Withum regarding the provision of the services described herein and supersedes any previous proposals, correspondence and understandings, whether written or oral. To the extent Withum is performing an audit or other attest engagement for either the University or a related party of the University, any provision in this Agreement which would impair independence for such engagement would be null and void. Further, if any provision of this Agreement is determined to be unenforceable or invalid, all other provisions shall remain in force. Withum appreciates the opportunity to be of service to the University. Should you have any questions regarding this Agreement, or need further information, please do not hesitate to contact us.

If the above agrees with your understanding of the terms of our engagement, please sign the copy of this Agreement in the space indicated and return it to us at your earliest convenience.

Respectfully submitted,



**WithumSmith+Brown, PC**

## RESPONSE:

This Agreement correctly sets forth our understanding.

Acknowledged and agreed on behalf of Westfield State University by:

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Ms. Theresa Jasmin  
Audit Committee Chair

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Date

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**WITHUM ENGAGEMENT TERMS**

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The terms in this Attachment A apply to the Agreement described in the Engagement Letter dated April 10, 2025 and apply to any additional work Withum, its affiliates, and subsidiaries ("Withum") may be asked to perform for Client in an amendment or addendum to the Engagement Letter. In the event that there is a conflict between the Engagement Letter and this Attachment A, the terms of Attachment A shall control, unless specifically stated otherwise in the Engagement Letter. All capitalized terms used herein that are undefined shall have the meaning provided elsewhere in the Agreement.

1. **Cooperation and Participation.** Withum shall endeavor to be alert to any information provided by or on behalf of Client that is incorrect or missing and shall apply its normal diligence in this regard; nevertheless, Withum shall be entitled to rely on the accuracy, completeness, and reliability of all information provided by, and on all decisions and approvals of Client (and Client's retained advisors, consultants, or legal counsel) and we will perform the Services on that basis. Further, Client is responsible to authorize third parties to provide information to Withum upon request that we require to perform the Services.
2. **Use and Reliance.** Subject to Client's rights in its confidential information, the work papers associated with the Services pursuant to the Agreement are the property of Withum and constitute proprietary information. Withum shall retain ownership of such work papers and additional consent may be required if work papers are requested. The Services, including the deliverables, are provided solely for your use and purpose as set forth in the Engagement Letter. Withum's Services, deliverables or other work product shall not be relied upon by any third parties in any manner or for any purpose; this Engagement does not create privity between Withum and any third party.
3. **Confidentiality.** In connection with this Engagement, Withum will come into possession of proprietary or confidential information of the Client ("Confidential Information"). Withum will not disclose such Confidential Information to any third party except (a) as may be required by law, regulation, judicial or administrative process, or (b) in accordance with applicable professional standards, provided that, to the extent legally permissible, Withum provides Client with prompt notice of such requirement so that Client, at Client's sole cost and expense, may seek a protective order or otherwise try to limit disclosure. Notwithstanding the foregoing, Confidential Information shall not include such information that (i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure by Withum in breach hereof, (ii) becomes available to Withum on a nonconfidential basis from a source other than Client which Withum believes is not prohibited from disclosing such information to Withum by obligation to Client, (iii) is known by Withum prior to its receipt from Client without any obligation of confidentiality with respect thereto, or (iv) is developed by Withum independently of any disclosures made by Client to Withum of such information.

Withum may utilize third-party service providers, including cloud-based service providers, who may collect, use, transfer, transmit, store, or otherwise process Client confidential information in connection with the delivery of certain services and Client consents to their use. Withum will ensure that it maintains appropriate policies, procedures and safeguards to protect the confidentiality of Client confidential information. In addition, to the extent possible and practicable we will ensure that our agreements with all third-party service providers contain appropriate provisions to protect Client confidential information. We may use electronic media to transmit Client confidential information and such use in itself will not constitute a breach of any security or confidentiality obligation. Client acknowledges that Withum has no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of electronic devices and applications in the delivery of the services.

4. **Agreed-Upon Scope of Work.** Withum shall be obligated only for work or deliverables specified in the Agreement referencing these terms, and only for changes in such scope that are set forth in writing and duly executed by the parties hereto. To the extent all specific details of the Engagement are not so documented, the parties shall work diligently and in good faith to document them at the request of either party. Unless expressly provided for, Withum's Services do not include giving testimony or appearing or participating in discovery proceedings, in administrative hearings, in court, or in other legal or regulatory inquiries or proceedings.
5. **Access to Resources and Information.** Unless specified herein as the responsibility of Withum to provide, Client shall have obtained for Withum, on a timely basis, any internal and third-party permissions, licenses, or approvals that are required for Withum to perform the Services contemplated hereunder (such as access to any cloud-based, web-accessed or data room hosted by a third party that either you or such third party is responsible for ensuring the confidentiality of). Client shall also provide Withum, on a timely basis, with such information, approvals, and assistance as may be necessary to Withum's work or as may reasonably be requested.
6. **External Factors: Standards of Performance.** Client acknowledges that this Engagement will involve analysis, judgment, and other performance from time to time in a context where the participation of Client or others is necessary, where answers often are not certain or verifiable in advance, and where facts and available information change with time. Accordingly, evaluation of Withum's performance of its obligations shall be based solely on its substantial conformance with any standards or specifications expressly set forth in this Agreement and all applicable professional standards, any such nonconformance (and applicability) to be clearly and convincingly shown. It is understood that unless Client and Withum agree otherwise, in writing, Withum shall have no responsibility to update any of its work after its completion.
7. **Engagement Staffing.** Withum may utilize its affiliates, subsidiaries, and third parties, including contractors and subcontractors to assist in performing the Services. These parties and their personnel may be located within or outside the United States. We may also use personnel from Withum-related entities (including Withum's India office team members). Withum remains responsible to Client for such parties who assist in providing the Services hereunder. Client consents and authorizes us to disclose client information to the foregoing parties for the purpose of providing Services to Client.

8. **Business Risk Allocations.** With respect to the Services, and any related work product or other deliverables, pursuant to the Agreement, Withum's liability shall in no event exceed the fees paid or payable for the Services hereunder; provided however, this limitation shall not apply to acts or omissions by Withum that constitute Withum's gross negligence or willful misconduct. Withum shall not be liable for any special, consequential, punitive, incidental, or exemplary damages. Also, because of the importance of the information that Client provides with respect to Withum's ability to perform the Services, Client hereby releases Withum and its partners, principals, and employees from any liabilities, costs, fees, expenses, and damages (including defense costs), relating to the Services hereunder, that are attributable to any information provided by Client or Client's agents that is not complete, accurate, or current.

Upon the receipt of notice, Client shall be responsible for any liabilities, costs, fees, expenses, and damages (including defense costs) associated with any third-party claim arising from or relating to Client's misrepresentations and/or, false or incomplete information provided to Withum or third-party reliance on Withum's work product or deliverable without Withum's prior written consent.

9. **Statute of Limitations.** Client agrees that Withum shall not be liable for any claim arising out of or relating to the Agreement that is first asserted more than one (1) year after a Termination Event, as defined below, regardless of legal theory. This limitation shall apply for all purposes notwithstanding any law, statute, rule, or regulation to the contrary.

10. **Termination.**

- a) This Engagement ends upon the earlier of (i) delivery of the final work product, or (ii) where applicable, filing of the final work product for which Withum was engaged, or (iii) in the event no final work product is delivered or filed, the Engagement shall end on the date which the last invoice for the Services was issued, not including any subsequent account payable reminder, revised bill, or other communications concerning completed Services or future Services.
- b) We acknowledge your right to terminate Withum's Services at any time and you acknowledge Withum's right to resign at any time (including instances where in our judgment, our independence has been impaired or we can no longer rely on the integrity of Client or Client's agents), subject in either case to Withum's right to payment for all fees incurred through the date of termination or resignation or thereafter as circumstances and this Agreement may require. In the event the Client or Withum exercises the right to terminate Withum's Services, such termination shall be in writing and shall be effective upon delivery by mail, overnight mail, or email transmission with a Read Receipt requested.
- c) The termination events set forth in this Section 11 shall each be referred to as a "Termination Event".

11. **Record Retention.** It is our policy to keep records related to this Engagement for a period of eight (8) years in accordance with our document retention policy. Generally, Withum stores a computerized PDF document of your records. We will return all original documents forwarded to us at the completion of the Services rendered under this Engagement. When records are returned to you, it is your responsibility to retain and protect such records for possible future use, including potential examination by any government or regulatory agencies. By your signature above, you acknowledge and agree that upon the expiration of the 8-year document retention period Withum shall be free to destroy its records related to this Engagement.

12. **Subpoena Request.** In the event Withum, its successors, and assigns, partners, principals, or employees are requested by Client, or Withum is required by government regulations, subpoena, or other legal process, to produce documents or our personnel as witnesses with respect to its Engagement(s) for Client, so long as Withum is not a party to the proceeding in which the information is sought, Client will reimburse us for our professional time and expense, as well as the reasonable fees and expenses of our counsel, incurred in responding to such requests.
13. **Withum Personnel.** Withum strives to staff Engagements with qualified and well-trained professionals. In recognition of the extensive investment made to recruit and develop its personnel, Client agrees that it shall not solicit for employment any of Withum's employees assigned to your Engagement during the term of the Agreement and for twelve (12) months after a Termination Event. In the event Client breaches this Section 14, Client shall pay to Withum a placement fee equal to the employee's annual compensation in effect on the date such employment was accepted by employee. This Section 14 shall not apply to, and no fee shall be payable for, general solicitations of employment not specifically directed toward Withum or its employees.
14. **Third-Party Service Providers.** Further, Withum may, from time to time, and depending on the circumstances, use third-party service providers to assist it with the Services rendered. We may share confidential information with the third-party service providers but remain committed to maintaining the confidentiality of the Client's information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. Withum will remain responsible for the work performed by such third-party service providers.
15. **General.**
- a) Other than a payment obligation, neither party shall be liable to the other as a result of any delay or failure to perform its obligations under the Agreement as a result of a Force Majeure Event. For the purposes of the Agreement, "Force Majeure Event" means an event beyond the reasonable control of the affected party, including, but not limited to, strikes, lockouts, act of God, war, riot, civil commotion, compliance with any law or governmental order, rule, regulation, or direction, or natural disaster.
  - b) Except to the extent expressly provided hereto to the contrary, the Agreement is between Withum and the Client listed herein. Third-party beneficiaries are not intended under the Agreement.
  - c) Neither party shall use the other party's name or trademarks or publish any identifying information about the other party in any public manner without obtaining that party's prior written consent; provided, however, Client consents that Withum is permitted to inform other parties that they are a client of Withum.
  - d) Client will in all events remain responsible for the care and control of its information and recordkeeping. Client is responsible to obtain any missing information whether personally or from third party sources as well as clarifying or answering any questions which may arise during the course of the Engagement. The completeness and timeliness of the flow of information may affect the expected completion date of this Engagement.
  - e) Each party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency, or fiduciary relationship.
  - f) Neither party shall assign any rights, obligations, or claims relating to the Agreement unless agreed to in a writing between the parties.
  - g) The invalidity or unenforceability of any provisions of the Engagement Letter or these Engagement Terms shall not affect the validity or enforceability of any other provision.

- h) Each party hereto agrees that any electronic signature is intended to authenticate a written signature, shall be valid, and shall have the same force and effect as a manual signature. For purposes hereof, “electronic signature” includes, but is not limited to, a scanned copy of a manual signature, an electronic copy of a manual signature affixed to a document, a signature incorporated into a document utilizing touchscreen capabilities, or a digital signature. The Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement.

16. **HLB International.** Withum is a member of HLB International (“HLB”), a worldwide organization of accounting firms and business advisors. Each member of HLB, including Withum, is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions, and no member firm assumes liability for such acts or omissions.

Unless Withum specifically engages such HLB firm for the Agreement, neither Withum nor any of its affiliates are responsible or liable for any acts or omission of HLB or any other member firms and hereby specifically disclaim any and all responsibility, even if Withum or any of its affiliates are aware of such acts or omissions of another firm of HLB.

17. **Compliance with Economic Sanctions Laws and Regulations.** Client agrees that it will comply with all applicable anti-corruption, anti-money laundering, anti-bribery, and other economic sanctions laws and regulations (collectively, the “ABC/AML/Sanctions Laws”) in connection with the Agreement. Client further agrees that it shall not, and it shall procure its employees not to, pay or cause other person(s) to pay Withum using any funds that would result in a violation of any of the ABC/AML/Sanctions Laws by either Client or Withum, or otherwise take any action that would result in a violation of any of the applicable ABC/AML/Sanctions Laws by either Client or Withum. Client shall promptly notify Withum in the event of any violation or failure to comply with ABC/AML/Sanctions Laws in connection with this Agreement, or allegations relating thereto, by the Client or its directors, officers, employees, or agents.
18. **Corporate Transparency Act/Beneficial Ownership Reporting.** Assisting with Corporate Transparency Act (“CTA”) compliance, including beneficial ownership information (“BOI”) reporting, is not within the scope of this Engagement. To the extent reporting is applicable to you, you have sole responsibility for your compliance with CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA, if such compliance is required. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of CTA’s reporting requirements and issues surrounding the collection of relevant ownership information.
19. **Governing Law.** This contract shall be construed under and governed by the laws of the Commonwealth of Massachusetts.

# Westfield State University

## Audit Committee

### Enterprise Risk Management

#### Progress Report on the Top Three Institutional Risks

April 22, 2025

The Enterprise Risk Management (ERM) program has made significant progress in identifying and addressing the university's top institutional risks. Below is a high-level summary of the work completed thus far for the three priority areas: **Cybersecurity**, **Deferred Maintenance**, and **Enrollment & Retention**.

#### 1. **Cybersecurity**

##### **Focus Areas - Access Management, Patch Management, Perimeter Defense**

The university has identified critical sub-risks in cybersecurity, including unauthorized access, delayed software updates, and inadequate network protections. In response:

- Work is underway to enhance access management through multi-factor authentication and regular credential audits.
- Patch management practices are being reviewed and strengthened to ensure timely updates and reduce system vulnerabilities.
- Efforts are being made to bolster perimeter defense, including the deployment of firewalls, network segmentation, and intrusion detection tools.

#### 2. **Deferred Maintenance**

##### **Focus Areas - Civil Infrastructure, Critical Building Systems, Renovation & Decarbonization Projects**

Deferred maintenance has been assessed across several high-impact areas:

- Civil infrastructure—including water, sewer, steam, electrical systems, and roads/sidewalks—has been flagged for condition assessments and prioritization.
- Academic and residential buildings are being reviewed for critical systems upgrades.
- The university is collaborating with DCAMM and MSCBA to advance long-term renovation and decarbonization initiatives.

#### 3. **Enrollment & Retention**

##### **Focus Area - Strategic Response to Demographic Shifts**

In light of changing student demographics and increased competition, declining enrollment and retention have been identified as key risks. In response:

- A **Strategic Enrollment Committee** has been established to assess trends, analyze enrollment data, and develop data-driven initiatives.
- The committee's charge includes both short- and long-term planning for undergraduate and graduate admissions as well as student retention.
- Student success initiatives are underway with support from the \$1.5M state grant as seed funding to improve retention efforts across campus.

#### **Next Steps**

- Prepare final reports for June BOT meeting in these risk areas (condensed version).
- Determine future reporting requirements.
- Identify next set of risks to prioritize for FY26.

**Westfield State University**  
Internal Audit Recommendations Tracker  
Updated: April 22, 2025

| Report           | Audit Date | Responsible Department(s)                                       | Finding # | Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Status                                                                                              | Notes: 12-13-23                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Notes: 10-21-24                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Notes: 4-22-25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------|------------|-----------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Student Accounts | 10/11/2023 | Finance/Information Technology/Student Accounts                 | SA-1      | <b>Inaccurate CGCE Billing Rules.</b> Management should ensure that the course creators are following all necessary steps to determine that course billing rules are correct before allowing students to register for courses.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | In Process<br>   | A funding request of 20,000 was secured for Banner training on rate table structure. Alan Blair, CIO is reaching out to our Ellucian rep to get a statement of work and estimated cost. Meetings have been taking place with a staff member from the Registrar's Office who is familiar with CGCE billing rules. The Registrar's Office has also reviewed their course set-ups to ensure that courses with special billing rules are coded correctly. The University is also in the process of implementing a new report writing software, Argos, which we intend to use to build more robust reports. | In March 2024, a banner consultant provided training on the University's rate tables. They concluded that our rules are set-up correctly and made recommendations for improvement. A report was created to catch anomalies in DGCE student account charges. A new report writing system is in the implementation stage. The Registrar's Office is responsible for reviewing their course set-ups to ensure that courses with special billing rules are coded correctly.                                                                                                                                                                                                                                                                                                                | The university is in the final stages of implementing a new report writing system. Many student accounts reports have been converted to the new system. A report created to catch anomalies in DGCE student account charges is run frequently. The Registrar's Office is responsible for reviewing their course set-ups to ensure that courses with special billing rules are coded correctly.                                                                                                                                                                                                                                                                                                                     |
| Student Accounts | 10/11/2023 | All applicable departments-Student Accounts has been initiating | SA-2      | <b>Communication and Clarification of Roles Between Departments.</b> Management should ensure that the communication and the clarification between Residence Life and the Bursar are clear and sufficient. This will ensure that University policies are being followed and all departments are operating with the same information.                                                                                                                                                                                                                                                                                                                                                                                        | In Process<br>   | Monthly meetings with support Departments have taken place starting September 22, 2023. Communication has slightly increased but progress on moving forward on initiatives has been slow.                                                                                                                                                                                                                                                                                                                                                                                                              | Monthly meetings with support departments continue to take place. Attendance has not been consistent and although communication has slightly increased, progress on implementing initiatives has been slow.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Monthly meetings with support departments continue to take place. Attendance has not been consistent and although communication has increased, progress on implementing initiatives continues to be a challenge.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Student Accounts | 10/11/2023 | Student Accounts/Finance                                        | SA-3      | <b>Student Cash Payments.</b> Management should consider requiring all international students to use the wire service to pay for tuition and fees instead of paying cash in person. Further, Management should discuss cash free options for all payments on campus.                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Completed<br>    | The University had minimal cash payments from international students and has other options for them to pay (i.e. wire service, credit cards). No progress has been made on considering cash free options for all payments on campus. We will research best practices in higher education as a first step.                                                                                                                                                                                                                                                                                              | The University will rely on current payment options for International students. There are no plans to to move to a totally cash free option at this time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Complete - no update.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Student Accounts | 10/11/2023 | All applicable departments-Student Accounts will initiate       | SA-4      | <b>Inconsistent Application of Policies.</b> Management should ensure that policies are being followed. Any deviation from policy should be documented to note a sufficient reason. If policy does not reflect true practice, then it should be changed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | No Progress<br>  | A cross-divisional meeting will be scheduled after the start of the spring semester. Policies will be reviewed for practice vs. policy and changes will be recommended to the appropriate Vice President(s).                                                                                                                                                                                                                                                                                                                                                                                           | A cross-divisional meeting will be scheduled to review and discuss policies vs. practice and changes will be recommended to the appropriate Vice President(s).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Progress in scheduling a meeting to discuss policies and practices has been a challenge for various reasons. The goal would be to meet in FY26 to begin the process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Student Accounts | 10/11/2023 | Finance/Information Technology                                  | SA-5      | <b>Banner Reporting.</b> Management should work with IT to determine how they can obtain the capability of running historic reports in Banner.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | In Process<br> | CIO and Institutional Research Office has been meeting to determine schedule to take snapshot of database. Phase 2 is to determine feasibility of installing data warehouse.                                                                                                                                                                                                                                                                                                                                                                                                                           | An engagement with a consulting firm is currently underway. They will be exploring data management options and providing recommendations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | The university has engaged a consultant to begin the process to implement a data warehouse in the cloud, with the initial focus on supporting student success reporting and analytics. Additionally, the campus is also adding a position in the Institutional Research department to focus on generating data analytics utilizing the data warehouse. Other phases to expand use of the data warehouse will be considered in FY26.                                                                                                                                                                                                                                                                                |
| Grants           | 6/20/2024  | Academic Affairs                                                | G-1       | <b>Process/Department Structure/Staffing.</b> Management should investigate how they want to structure the Office of Grants and Sponsored Programs (OGSP). A focus should be put on process design, staffing, and allocating resources accordingly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Completed<br>  | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Provost created a new position in Grants Office to provide additional staffing to support this activity. Executive Director of Grants and Sponsored Programs was posted on 8/9/2024.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Tamara Fricke was hired as the Executive Director of the OGSP and started in January 2025.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Grants           | 6/20/2024  | Academic Affairs                                                | G-2       | <b>Policies and Procedures.</b> Management should ensure that policies and procedures are documented and updated. Policies and procedures should be constructed to ensure compliance with internal policies, ensure best practice standards are considered, and reflect current practices.                                                                                                                                                                                                                                                                                                                                                                                                                                  | In Process<br> | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Once the new Executive Director is hired, a review of all grant related policies and procedures will be completed by June 30, 2025. Provost office and College Deans will ensure that department chairs and PI's are following current policies and procedures.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | The OGSP Executive Director is actively reviewing established policies and working with leadership across campus to ensure that updated policies reflect standard workflows and regulatory requirements. A draft of changes will be ready for review by August 2025.                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Grants           | 6/20/2024  | Academic Affairs and Administration and Finance                 | G-3       | <b>Grant Administration System Risks.</b> Management should determine if they want to continue using Microsoft Office as the system of records for the Office of Grants and Sponsored Programs (OGSP). If so, then controls need to be strengthened such as: (1) secondary review of data entry; (2) shared calendars for deliverables so more than one person is accountable; and (3) forms and workpapers should be standardized with input from all departments that help administer grants and access to network drives should be assigned accordingly. If this is considered, then Westfield Information Technology (IT) should have system access control, folder backup, and secondary approval to delete documents. | In Process<br> | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | We have started the approved Statement of Work (SOW) project from Ellucian to implement the Banner Grant Module. Scheduling the training sessions have been a challenge given the existing workload but we are working to establish the timeline. The grant module ensures a standard operating environment across all departments involved with grant management and finance. The Module provides a shared calendar which monitors grant deliverables and sends out email communications to key stakeholders related to deadline for those deliverables. The OneDrive network has been utilized to create grant shared folders to store relevant grant documentation for the Grants Office and the Depts. Finance and other Depts. can be added to have access to the shared folders. | The OGSP will not pursue moving forward with the Banner Grant Module at this time. The OGSP Exec. Director is developing workflow processes leveraging Microsoft tools and software already in place at WSU in order to be cost effective and to minimize any learning curve new software modules may incur. Leveraging Lean Process Improvement methodologies, process/value stream mapping will be used to identify and minimize risks, eliminate redundancy, and improve time to completion for grant related activities. Grant documentation/folders will follow WSU IT security policies ensuring that access and backup redundancies are in place while meeting or exceeding state and federal requirements. |

Westfield State University  
Internal Audit Recommendations Tracker  
Updated: April 22, 2025

| Report | Audit Date | Responsible<br>Department(s)                          | Finding # | Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                         | Status                                                                                            | Notes: 12-13-23 | Notes: 10-21-24                                                                                                                                                                                                                                                                                                                                         | Notes: 4-22-25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------|------------|-------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Grants | 6/20/2024  | Academic Affairs and<br>Administration and<br>Finance | G-4       | <b>Contract Worker Hiring Practices.</b> Management should implement controls to detect contract workers who are not being paid in line with University requirements. Contracts should not be considered executed until Payroll/Human Resources sign-off. Additionally, language should be put into all standard worker contracts instructing them not to start until they receive an executed contract signed by appropriate parties. | In Process<br> | N/A             | A communication to campus regarding the process and documents required to hire temporary employees has been sent and will continue to be sent at key times throughout the year. The temporary employment contract form has been updated with language to caution against working before being notified by Payroll that the contract has been processed. | (L. Freeman) Communications to campus regarding the process and documents required to hire temporary employees continue to be sent at key times throughout the year.<br><br>(T. Fricke) The Exec. Director of OGSP has reviewed open grant contracts and has resolved most outstanding employment payment issues. Any remaining employee contract issues will be resolved no later than 5/1/25. Internal OGSP processes have been modified to ensure contracts are created prior to work beginning on a grant contract and will be included in the Grant Policy documentation. |
| Grants | 6/20/2024  | Academic Affairs and<br>Administration and<br>Finance | G-5       | <b>Department Communication.</b> Management should ensure that communication is improved regarding the Office of Grants and Sponsored Programs (OGSP) and principal investigators (PI's). There needs to be a standardized communications process to address any questions that may arise.                                                                                                                                             | In Process<br> | N/A             | We have completed procurement training for several new Admins in the Academic Affairs Dept. and for Dept. Chairs at the beginning of the Fall Semester 2024.                                                                                                                                                                                            | Through the actions of OGSP process mapping, critical communication points will be identified allowing for the development of standardized communications plans for key grant development milestones such as development, submission, awards, and closeouts. Anticipated drafts to be completed by August 2025                                                                                                                                                                                                                                                                 |

Legend:

 Completed

 In Process

 No Progress



**BOARD OF TRUSTEES  
AUDIT COMMITTEE  
CHARTER**

**I. Mission**

The primary function of the Audit Committee of Westfield State University (the "University") is to oversee the accounting and financial reporting processes of the University, audits of the University's financial statements, reports and records, and risk management systems in a transparent manner. In addition, the Audit Committee must provide assistance to the University's Board of Trustees (the "Board") in fulfilling its responsibilities to the University's students, parents, faculty, donors and staff as to the University's accounting, auditing and reporting practices and controls. In so doing, it is the responsibility of the Audit Committee to maintain free and open means of communication among the Board, independent auditors, internal auditors and members of the senior administration of the University.

**II. Authority and Responsibilities**

The primary duties and responsibilities of the Audit Committee are to oversee and monitor the University's financial reporting process, internal controls and risk management systems and review and evaluate the performance of the University's independent auditors. The Audit Committee will also evaluate the performance of the University's internal auditing staff as it directly relates to internal audit functions. In fulfilling these duties and responsibilities, the Audit Committee shall take the following actions, in addition to performing such functions as may be assigned by law or regulation, or the Board:

*Independent External Audits*

1. The Audit Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of any independent auditor engaged (including resolution of disagreements between administration and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the University. The independent auditor must report directly to the Audit Committee.
2. The Audit Committee shall act as a liaison with University administration and staff and the independent external auditor to develop an annual audit plan and schedule.

3. The Audit Committee, in its capacity as a committee of the Board, shall determine, and the University shall provide, providing the Board has approved the expenditure of funds for such engagements, funding for payment of: (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the University; (ii) compensation to any advisers, including, without limitation, an independent financial expert, employed by the Audit Committee, and as permitted by this Charter; and (iii) ordinary and reasonable administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.
4. As part of the audit process, the Audit Committee shall meet with the independent auditors to discuss and determine the scope of the audit. The Audit Committee shall determine that the independent audit team engaged to perform the external audit consists of competent, experienced, auditing professionals.
5. The Audit Committee shall require the independent auditors to submit, on an annual basis, a formal written statement setting forth all relationships between the independent auditors and the University that may affect the objectivity and independence of the independent auditors, consistent with Independence Standards Board Standard No. 1, and the Audit Committee shall actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors. The Audit Committee shall take, or recommend that the full Board take, appropriate action to ensure the independence of the independent auditors.
6. The Audit Committee shall require the independent auditors to advise the University of any fact or circumstance that might adversely affect the outside auditors' independence or judgment with respect to the University under applicable auditing standards, including any significant changes to the University's accounting principles and any items required to be communicated by the independent auditor under prevailing audit standards.
7. The Audit Committee shall require the independent auditors to advise the University if it becomes aware that any officer or employee of the University, or its direct or indirect subsidiaries or affiliates, is related to a partner, employee or other representative of the independent auditors, to the extent that such relationship might adversely affect the University under applicable auditing standards.
8. Upon the completion of the annual audit, the Audit Committee shall review the audit findings, including any comments or recommendations of the independent auditors, with the entire Board and obtain the approval of such report from the Board. The Audit Committee shall report to the Board on any issues which may be unresolved.

### *Internal Audit*

1. The Audit Committee shall review the internal audit function of the University, including the independence and authority of its reporting obligations, the proposed audit plans for the coming year and the coordination of such plans with the independent auditors.
2. The Audit Committee shall determine, with consultation from the University's leadership, whether the internal audit function may be performed by a staff internal auditor or may be outsourced to a third party, as deemed appropriate.
3. The Audit Committee shall recommend, with consultation from the University's leadership, the appointment, replacement, reassignment or dismissal of the University's internal auditor as may be warranted.
4. The Audit Committee shall meet at least annually with the University's internal auditor to assure itself that the University has a strong internal auditing function by reviewing the internal audit program and assessing (grading) risk areas along with a proper control environment that promotes accuracy and efficiency in the University's operations.
5. The Audit Committee shall receive reports from the University's internal auditor, which include a summary of findings from completed internal audits and a progress report on the internal audit plan, together with explanations for any deviations from the original plan.
6. The Audit Committee shall consider and review with the University's administration and the internal auditor: (a) significant findings during the year and management's responses thereto, including the status of previous audit recommendations, (b) any difficulties encountered in the course of their audits, including any restrictions on the scope of activities or access to required information, (c) any changes required in the planned scope of the internal audit plan; and (d) the internal auditing department budget and staffing.

### *Other Responsibilities*

1. The Audit Committee shall oversee the University's administration of the University's conflict of interest policy.
2. The Audit Committee shall establish procedures for the confidential, anonymous submission by University staff and administration of concerns regarding questionable accounting or auditing matters.
3. The Audit Committee shall review the regulations and current audit trends and requirements and recommend appropriate policy and practice applications to University administration.

4. The Audit Committee shall investigate or consider such other matters within the scope of its responsibilities and duties as the Audit Committee may, in its discretion, determine to be advisable. The Audit Committee shall have the authority to engage independent counsel and other advisers or experts, as it deems necessary to carry out its duties.
5. The Audit Committee shall prepare any report required by any governmental body or to the public, if any, as required by laws of the Commonwealth of Massachusetts and any/all regulations promulgated thereunder.
6. The Audit Committee shall at all times cooperate with all state auditors and provide any/all reports, statements, minutes and other related documents as may be required by such auditors.

### **III. Organization**

#### *Review of Charter*

This charter shall be reviewed and reassessed by the Audit Committee annually, prior to June 30<sup>th</sup>.

#### *Membership/Structure/Quorum*

Per Westfield State University Board of Trustee By-laws, Section 7.A., the Audit Committee shall consist of at least three voting trustees; provided however, that no more than one committee member may also be a member of the Financial Affairs and Advancement Committee. The Audit Committee chairperson shall be appointed by the Board chairperson.

#### *Staff Liaison*

The president shall designate a member of the University's senior administration to serve as a liaison to the Audit Committee.

#### *Meetings*

The Audit Committee shall, at a minimum, meet in advance of each Board of Trustees meeting, unless the committee chairperson and Board chairperson determine that a meeting is not necessary. A quorum of any meeting of the Audit Committee shall consist of a majority of its voting members. Committee members may participate by teleconference as permitted by state laws. All meetings will conform to Massachusetts open meeting laws. Meeting materials will be posted on the University's website within 14 days after each committee meeting.

#### *Agenda, Minutes and Reports*

The chair, in collaboration with the staff liaison, shall be responsible for establishing the agenda for each meeting. An agenda, together with relevant materials, shall be

provided to committee members at least five days in advance of the meeting. Minutes for all meetings shall be drafted by the ~~staff liaison or designee~~assistant to the Board of Trustees, reviewed by the committee chair, and approved by committee members at the following meeting.