

MassArt Board of Trustees
Special Administration and Finance Committee
October 11, 2022 Special Audit Meeting Minutes
Zoom

Committee members present: Committee Co-Chair Nessen (Co-Chair), Board Chair Hamilton, Trustee Stone, President Mary Grant (ex-officio)

Committee members not present: Committee Co-Chair Snyder and Trustee Keane

Others in attendance: Brian Crowley, Chris Stenmon, and Eric Cyr (from O'Connor and Drew, LLP, College Auditors), Robert Perry, Gina Spaziani, Jack McDonald, Hannah Voit (Secretary to the Board), John Ashworth-King, Tracy Leavitt, and Peggy Maki

1. Call to Order

The meeting was called to order by Chair Nessen at 5:56pm.

The Secretary to the Board took an attendance roll call due to it being a virtual meeting.

2. Review of the FY222 Audited Financials with College Auditors from O'Connor & Drew, LLP

Brian Crowley of O'Connor & Drew reviewed the independent auditor's report, including the final opinions, basis for opinions, and change in accounting principle specifically regarding *GASB 87* changes. *GASB 87* reporting required a retroactive depreciation and interest expense entry to account for the leased MSCBA properties that are now assets on our financial statements.

The audit was completed by the statutory deadline and there were no findings.

The discussion touched upon different elements of the financial statements and impacting factors such as an increase in out-of-state students relative to in-state students increasing tuition and fees and the impact of ARPA and CARES funding.

There were no capital and/or material deficiencies and there were no smaller findings; all funds are being recorded and accounted for by all required standards and there is no loss or other inadequacies in MassArt's processes.

Discussion also touched upon the significance of the MSCBA buildings being owned by the Commonwealth, not the college.

President Grant met independently with the Auditors.

3. It was then **VOTED: To accept the FY22 Massachusetts College of Art and Design Audit, by roll-call vote.**

The Audit was accepted by roll call vote conducted by the secretary to board – all in favor.

Yes: Peter Nessen (Co-Chair), Elisa Hamilton, Greg Stone

4. **Adjournment:**

There being no new business, the meeting was adjourned by Chair Nessen at 6:45pm.

Documents:

FY22 Massachusetts College of Art & Design Audited Financials