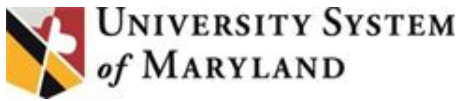




**UNIVERSITY SYSTEM OF MARYLAND  
BOARD OF REGENTS - AUDIT COMMITTEE  
OPEN MEETING AGENDA**

**June 9, 2023**

- |  |  |
|--|--|
| 1. Report on UMB Global/MGIC   | Dr. Jarrell<br>Dr. Rhodes<br>Ms. Evans<br>Ms. Schowengerdt |
| 2. CliftonLarsonAllen LLP, Audit Approach for the FYE 2024<br>Independent Audit (Information & Discussion) | Ms. Bowman   |
| 3. Information & Discussion – Single Audit Terminology   | Ms. Bowman<br>Ms. Denson                                   |
| 4. Information & Discussion – Update from the Enterprise Risk and<br>Crisis Management Work Group          | Mr. Eismeier   |
| 5. Information & Discussion- Office of Legislative Audit Activity<br>Published Reports                     | Ms. Fish   |
| 6. Information - Follow up of Action Items from Previous<br>Meetings                                       | Ms. Fish   |
| 7. Approval - Convene to Closed Session  | Ms. Fish   |
-



**BOARD OF REGENTS**

SUMMARY OF ITEM FOR ACTION,  
**INFORMATION** OR DISCUSSION

---

**TOPIC:** UMB Global / Maryland Global Initiatives Corporation (MGIC)

**COMMITTEE:** Audit Committee

**DATE OF COMMITTEE MEETING:** June 9, 2023

**SUMMARY:**

Materials attached.

**FISCAL IMPACT:** none

**CHANCELLOR'S RECOMMENDATION:** none

COMMITTEE ACTION: none

DATE:

BOARD ACTION: none

DATE:

SUBMITTED BY: David Mosca

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**Institute of Human Virology at the University of Maryland School of Medicine  
INTERNATIONAL PROGRAMS BRIEF**

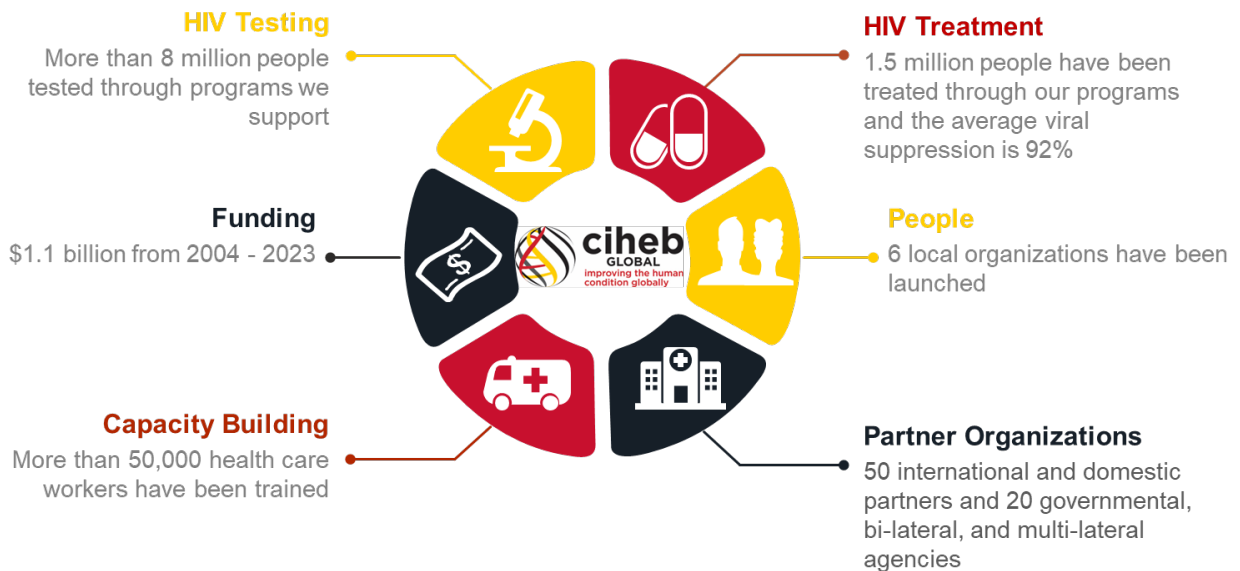
The Division of Clinical Care and Research and the Division of Epidemiology and Prevention at the Institute of Human Virology (IHV) – University of Maryland School of Medicine (UMSOM) have been engaged in global health initiatives in low- and middle-income settings since its founding in 1996. Dr. Blattner’s research education and training program in Nigeria and Dr. Redfield’s clinical partnership with St. Gabriel’s Hospital in Malawi laid the groundwork for the IHV’s large-scale involvement in the President’s Emergency Plan for AIDS Relief (PEPFAR) once enacted by Congress in 2003.

In 2004 the Epidemiology and Prevention Division received a PEPFAR award to scale up HIV care and treatment in Nigeria. The Clinical Care and Research Division received one of four multi-country PEPFAR Track 1 awards as the medical technical assistance partner for the AIDSRelief consortium with Catholic Relief Services as the prime grant awardee. At the time there were only 50,000 people in all of sub-Saharan Africa on antiretroviral therapy.

Two decades later, programs developed and implemented by the IHV have provided ART to over 1.5 million people living with HIV, provided HIV testing and prevention services to over 8 million people, and have trained over 50,000 healthcare providers and community health workers.

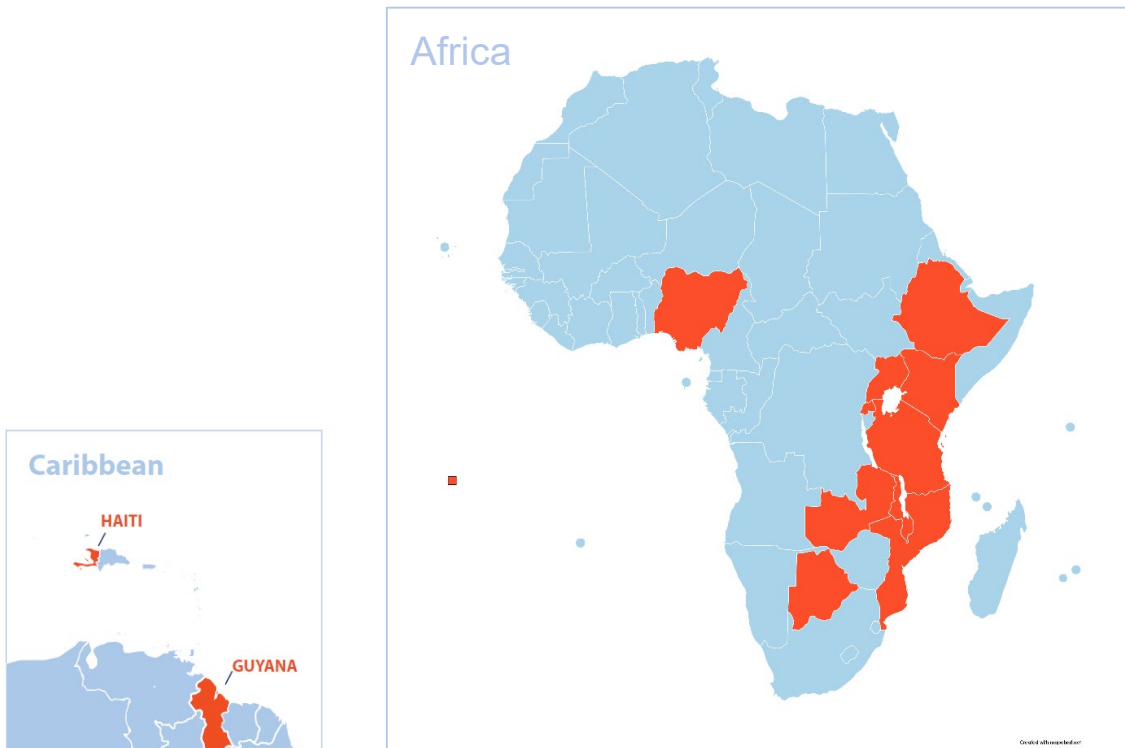
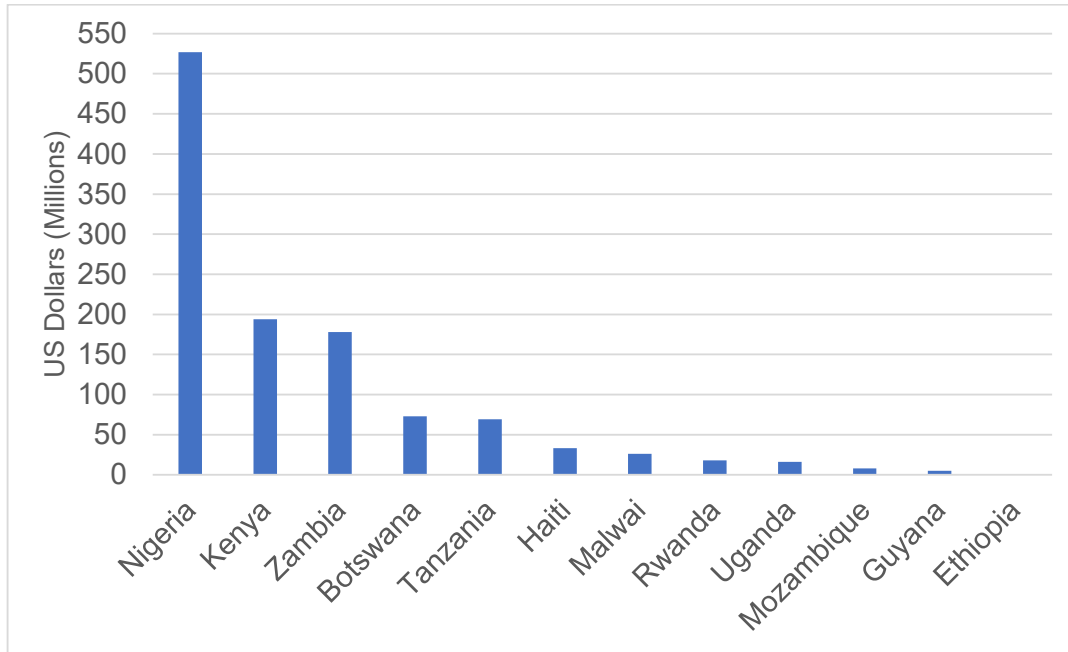
In 2019, international programs were consolidated into the Center for International Health, Education, and Biosecurity as a Division within the IHV-UMSOM.

Since 2004, IHV at UMSOM has received over \$1.1 billion in direct grant funds.





**Total funding 2004 – 2023 by country**





**Notable achievements**

- First to identify new recombinant form of HIV in Nigeria
- First to provide services specific to sexual and gender minorities in Nigeria
- Led the introduction of tenofovir based regimens in Zambia
- Developed the PrEP guidelines for Zambia
- First to introduce PrEP into prisons in Zambia
- Developed first antibiotic stewardship guidelines for Zambia
- Built the HIV National Data Repository for Nigeria – longitudinal de-identified database of 1.9 million people living with HIV
- Implemented the largest HIV focused population-based survey ever conducted and demonstrated the prevalence of HIV in Nigeria was half of previous model-based estimates
- Implemented the Population-based HIV Impact Assessment in Botswana, the first to objectively demonstrate achievement of the UNAIDS 95-95-95 targets
- Supported five national reference labs to full accreditation in Kenya and Malawi

## INTERNATIONAL OPERATIONS SUPPORT BRIEF

The Maryland Global Initiatives Corporation (MGIC) was formed in 2009 as a nonprofit affiliate of UMB to support the implementation of international programs. As a separate legal entity from UMB, MGIC qualifies to be a registered business in foreign countries; to establish additional foreign corporations as required to legally operate in select countries; and to utilize administrative, human resources, and financial systems and policies that are adaptable to the regulations and requirements of program delivery outside the United States.

Since its founding, MGIC has been primarily utilized to enable a long-term physical presence in foreign countries on behalf of UMB's Institute of Human Virology, when required to implement HIV care and treatment, testing and prevention services, and health systems capacity-strengthening programs funded by the US Government and other sponsors. As directed by IHV, MGIC employs national and third-country personnel, leases facilities and purchases capital equipment, procures materials and service contracts, maintains in-country bank accounts and payment mechanisms, completes statutory filings and audits, holds comprehensive insurance coverage, retains local legal counsel, and implements an enterprise resource platform and a comprehensive suite of organizational policies and procedures to operate effectively under UMB's award agreements. At times, MGIC's staff count has exceeded 800 employees and over 1,000 contractors, and the organization has registered in 12 countries during its history.

UMB follows a detailed delineation of approval authorities and signatory procedures for all MGIC transactions, to ensure allowability under award terms and conditions, compliance with applicable regulations and policies, responsible segregation of duties, and accountability of decision-making. Presently, IHV/CIHEB project managers and/or Principal Investigators are built into approval workflows at established threshold levels for procurements, payments, consultant and service provider contracts, and employee recruitment, compensation, and labor actions. IHV staff also directly supervise MGIC's country leadership personnel, senior managers and program/technical directors, and regional staff funded through IHV's awards.

UMB's Department of International Operations (IO) collaborates with IHV in the management of MGIC. IO administers the MGIC legal entity and facilitates organizational governance. IO is also responsible to maintain and disseminate organizational policies and procedures, process corporate registrations/de-registrations, monitor operational and regulatory compliance matters, and activate the MGIC mechanism to support other UMB departments' international activity in line with UMB's Global Engagement and Education strategy.

Global development policymakers and funders, including CDC, USAID, and other bilateral and multilateral donors, are advancing their strategies to empower local

institutions and to channel funding for program delivery directly to local partners, rather than through international, “non-indigenous” entities. UMB is proud of its decades of work building sustainable local capacity to enable many of its unaffiliated (“spin-off”) partners, such as IHV-Nigeria, Ciheb-Kenya, and BUMMHI, to receive program awards and funding directly from CDC and other major donors. With the growing momentum toward country-led development and localization, our local partners are well placed to compete for, win, and directly deliver services as the prime recipient of donor awards.

Consequently, IHV is finding greater opportunity to serve as a technical assistance provider to those local implementers, and to strategically shift its focus toward research programs aligned with its technical expertise.

The practical implication of this trend, and an outcome of UMB’s success building local capacity, is that MGIC’s in-country operational services are less necessary to IHV’s evolving program portfolio, as these capacities are present in the local institutions that are winning prime awards. UMB is therefore in the process of closing several MGIC offices where programs are ending and there are insufficient funding opportunities in the business forecast to warrant maintaining a physical presence. The MGIC country offices closing in calendar year 2023 include Botswana, Nigeria, and Rwanda.

The MGIC Board of Directors – composed of UMB leadership and faculty representatives from three Schools – is discussing a strategic “reimagination” of MGIC’s role and structure in light of the reduced need for large-scale country operations to support IHV programs. We are pivoting MGIC’s support toward other UMB Schools and departments whose international education, research, and service projects can benefit from MGIC operational support, in line with the stated intent of the USM Board of Regents when establishing MGIC in 2009. MGIC is a key asset to UMB’s Global Engagement and Education strategy, offering context-specific expertise, streamlined processes, and UMB/USM-authorized channels to conduct international business and establish operations outside the U.S. if needed. MGIC is a flexible resource that can expand and contract in new countries as required for program delivery, and can provide support, guidance, procedures and services to the UMB community as it works to achieve its mission to improve the human condition.



**BOARD OF REGENTS**

SUMMARY OF ITEM FOR ACTION,  
**INFORMATION** OR **DISCUSSION**

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**TOPIC:** CliftonLarsonAllen LLP. – Audit Approach for the FYE 2024 Independent Audit

**COMMITTEE:** Audit Committee

**DATE OF COMMITTEE MEETING:** June 9, 2023

**SUMMARY:**

Materials attached.

**FISCAL IMPACT:** none

**CHANCELLOR’S RECOMMENDATION:**

COMMITTEE ACTION:      None      DATE:

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BOARD ACTION:      None.      DATE:

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SUBMITTED BY: David Mosca

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# University System of Maryland FY 2023 Audit Committee Meeting

June 9, 2023

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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# Agenda

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Higher Education Trends

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Scope and Deliverables

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Single Audit Plan Overview

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Financial Audit Plan Overview

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Emerging Issues and Pronouncements



# 2023 Trends in Higher Education



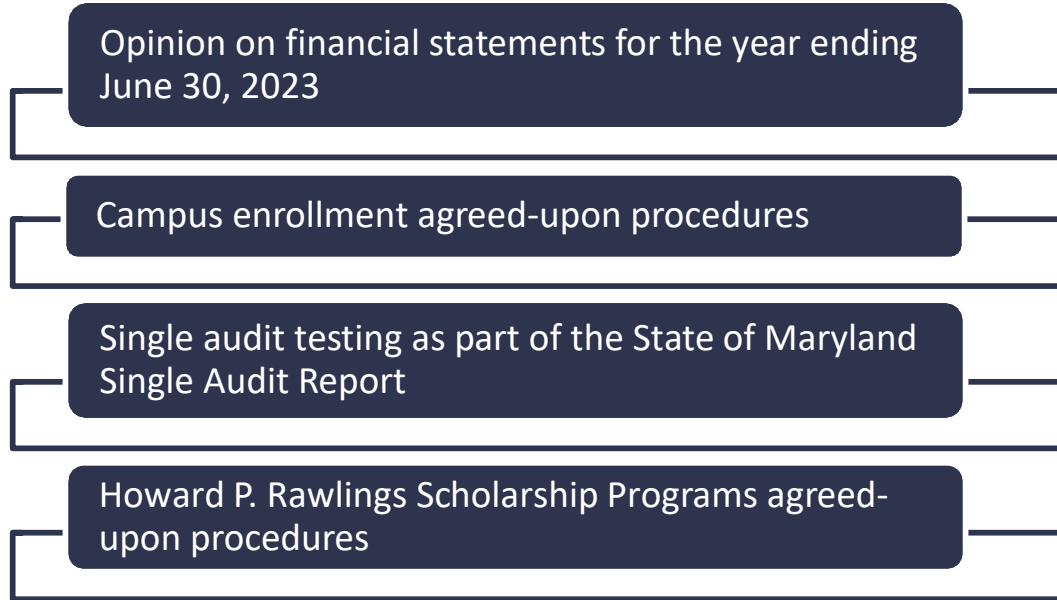


# Your Service Plan

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# Scope of Services and Deliverables - FY23



Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024
FY23 Audit Prelim		FY23 Financial Audit - Final									
FY23 Single Audit - Global			FY23 Single Audit								
FY23 Enrollment AUP											FY23 MHEC AUP





# Single Audit Approach

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# Single Audit Major Programs

## Education Stabilization Fund

- Designated High Risk

## Global Aids

- Designated High Risk

## TBD

- Based on Statewide Major Program Selection



*Create Opportunities*



# Financial Audit Approach

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AUDIT, TAX, AND CONSULTING

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# Responsibilities



## Responsibilities of Parties Involved

Governance	Strategic Direction
	Accountability, including financial reporting
Management	Internal Controls
	Accounting Policies
	Management Decisions
	Fair Presentation of Financial Statements
	Programs to Prevent and Detect Fraud
Independent Auditor	Opinion on Fair Presentation of Financial Statements
	Audit in Accordance with GAAS and GAGAS
	Reasonable, not Absolute Assurance
	Understanding of Internal Controls
	Risk Based Audit Approach

## Audit Areas to Emphasize

University of  
Maryland Faculty  
Physicians Inc.

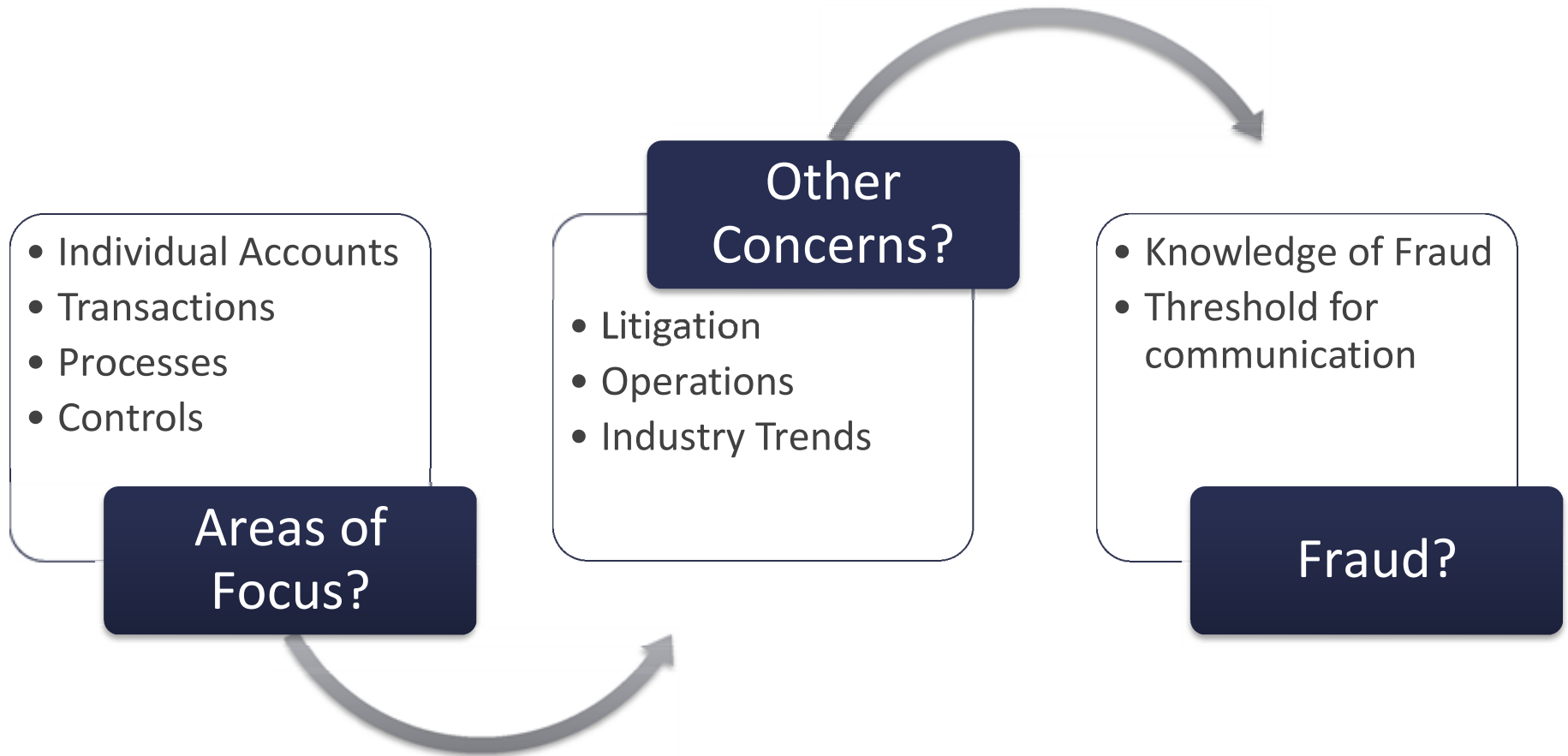
GASB 96, *SBITAs*

GASB 87, *Leases*  
Year 2 and  
implementation of  
DebtBook

Education  
Stabilization Fund-  
funding is ending



# Input From Governance



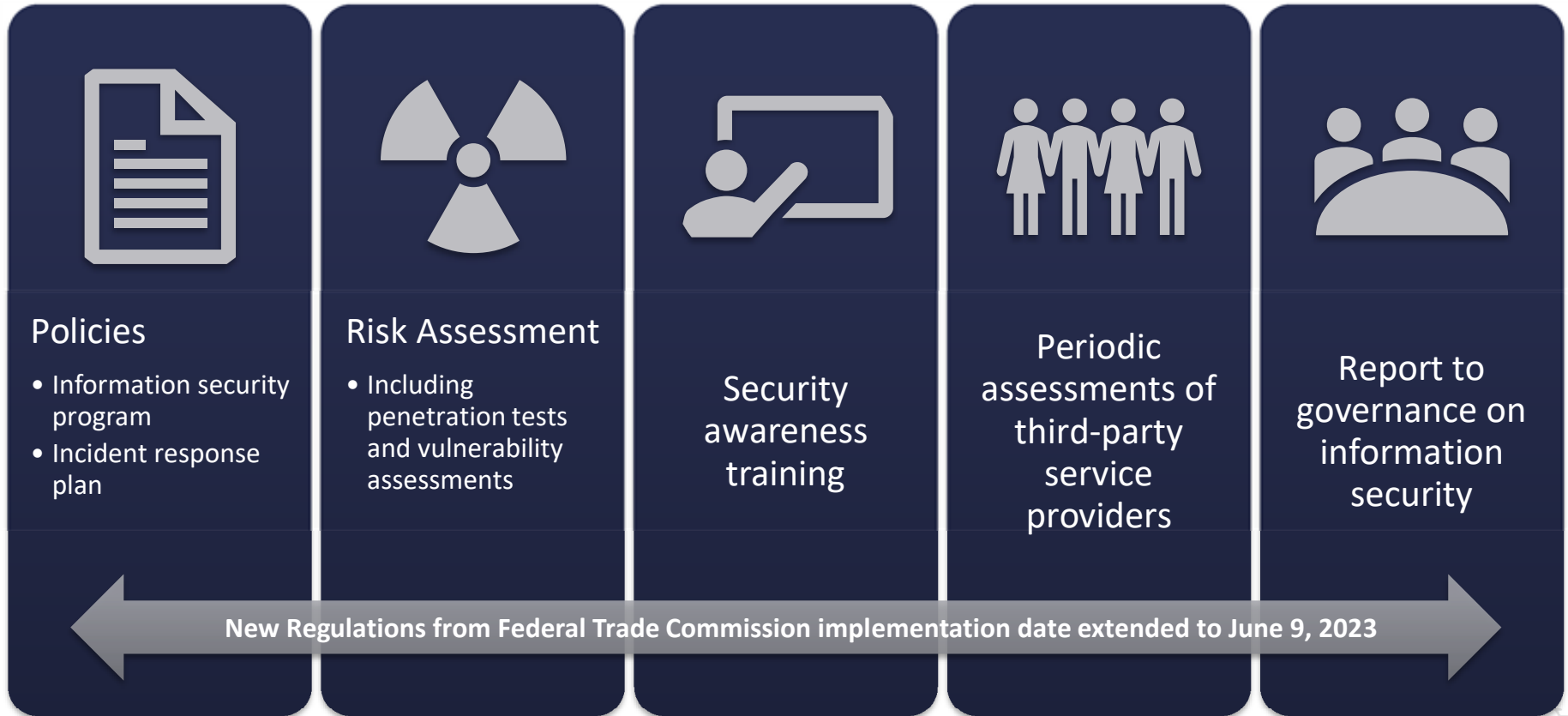


# Emerging Issues and Recent Pronouncements

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# Emerging Issues - Cybersecurity



# Auditing Standard Updates

## SAS 142 Audit Evidence

- Auditors must ensure all audit evidence is sufficient under the new standard
- Effective for periods ending on or after 12/15/22 **(FY23)**

## SAS 143 Auditing Accounting Estimates and Related Disclosures

- Auditors will be diving further into the accounting estimates and overall risk assessment
- Effective for periods ending on or after 12/15/23 **(FY24)**

## SAS 145 Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement

- Enhances certain aspects of the identification and risk assessment of material misstatement
- Significant increase in IT auditing and consideration of IT general controls
- Effective for periods ending on or after 12/15/23 **(FY24)**



# New Accounting Standards

## PPPs and APAs

- Government Accounting Standards Board Statement No. 94
  - Improves financial reporting and consistency in reporting for public-private partnership (PPP)
  - Provides guidance for reporting availability payment arrangements (APA)
  - Effective June 30, 2023



# New Accounting Standards

## Subscription Based Information Tech Arrangements

- Government Accounting Standards Board Statement No. 96
  - Provides guidance on the accounting and reporting for subscription-based information technology arrangements
  - Effective June 30, 2023





Chrissy Bowman, CPA  
Higher Education Principal  
[Christina.Bowman@claconnect.com](mailto:Christina.Bowman@claconnect.com)  
O: 410-308-8064  
C: 410-294-2563

Bobby Gauthier, CPA  
Engagement Manager  
[Robert.Gauthier@claconnect.com](mailto:Robert.Gauthier@claconnect.com)  
O: 410-308-8031  
C: 301-943-0007

Katie Orris, CPA  
Engagement Senior In-Charge  
[Katie.Orris@claconnect.com](mailto:Katie.Orris@claconnect.com)  
O: 703-825-2122  
C: 814-262-5900



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**TOPIC:** Information – Single Audit Terminology

**COMMITTEE:** Audit Committee

**DATE OF COMMITTEE MEETING:** June 9, 2023

**SUMMARY:**

The Single Audit Report includes a Schedule of Expenditures of Federal Awards. The auditors perform procedures to determine the accuracy of the amounts reported and compliance of the terms of the grant agreement by the institutions. Findings related to compliance are described as a deficiency, significant deficiency, or material weakness.

**Deficiency in internal Control** exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

**Examples** – lack of timely cash deposits, lack of preparation of account reconciliations.

**Significant deficiency** is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Example** – reporting not done on a timely basis, institution not reporting expenditures as required (cumulative vs quarterly reporting)

**Material weakness** is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis.

**Example** – \$50 million in expenditures reported as research and development expenses that should have been reported as other expenditures. This is a material weakness because of the dollar amount of the error and if not corrected, the appropriate compliance procedures would not have been performed.

**ALTERNATIVE(S):** This is an information item.

**FISCAL IMPACT:** This is an information item.

**CHANCELLOR’S RECOMMENDATION:** Information item

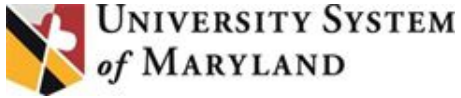
COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923



**BOARD OF REGENTS**

SUMMARY OF ITEM FOR ACTION,  
**INFORMATION** OR **DISCUSSION**

---

**TOPIC:** Update from ERM and Crisis Management Workgroup

**COMMITTEE:** Audit Committee

**DATE OF COMMITTEE MEETING:** June 9, 2023

Materials attached.

**FISCAL IMPACT:** none

**CHANCELLOR'S RECOMMENDATION:** none

COMMITTEE ACTION: None

DATE:

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BOARD ACTION: None

DATE:

---

SUBMITTED BY: David Mosca

---



# **Board of Regents Audit Committee Enterprise Risk Management – Crisis Management Update**

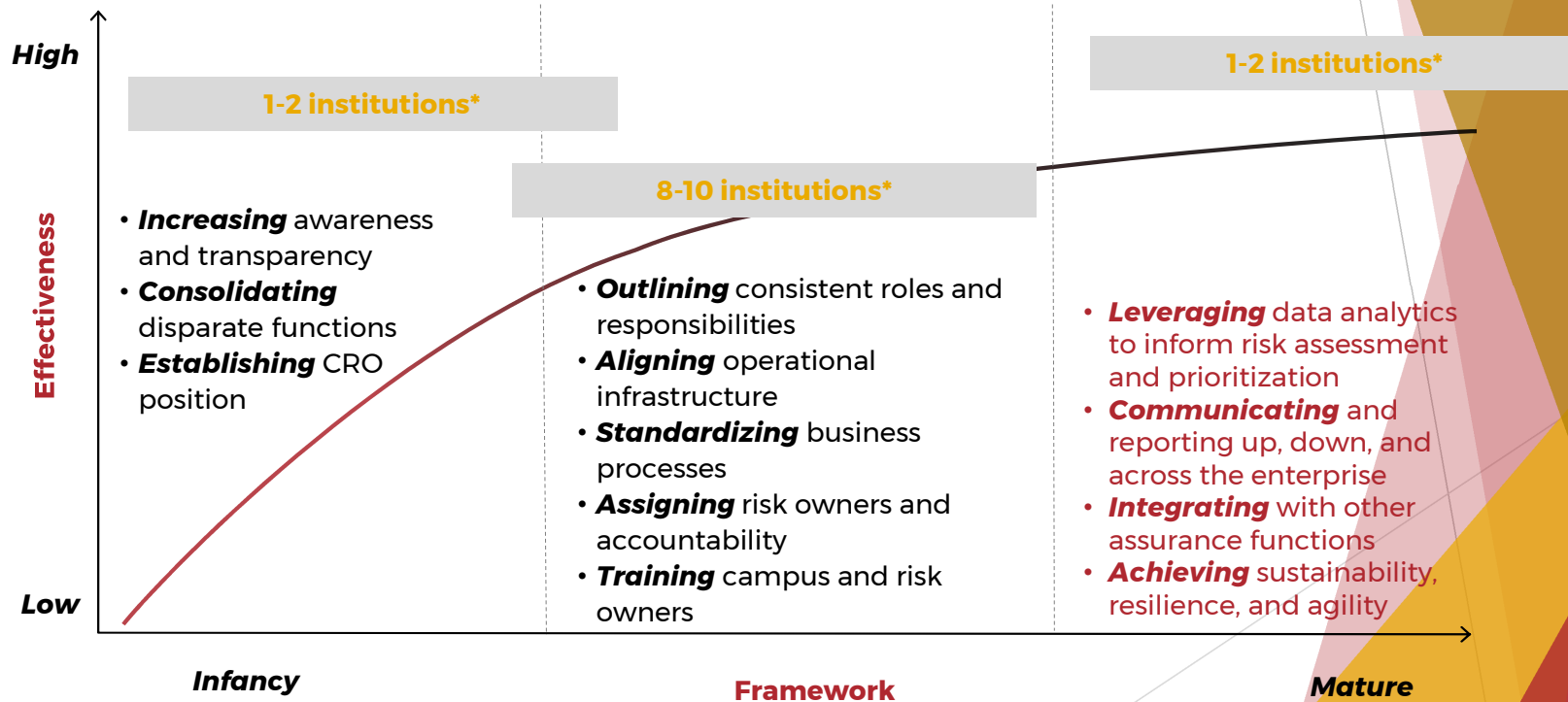
June 9, 2023

## Crisis Management – Update

- ▶ Update on institutional CM activities
- ▶ Gathered institutional CM plans and last/planned CM plan exercise
- ▶ Met with institution CM reps on April 11 to discuss progress and institutional tabletops
- ▶ All but two institutions have provided their CM plan and process for updating and have a set cycle to exercise – **USM Staff to follow up**
- ▶ CM reps group will meet only ad-hoc going forward since requirements of policy are generally met

# Campus ERM Programs - 2023

USM campuses and the System Office provided updates for the status of their respective ERM Programs, the results of which are charted below.



\*13 institutions including the System Office are in varying stages of maturity from infancy to developing.

# Highest Level Systemwide Risks - 2023

► Below are the top risks as reported by campuses and the System Office in 2023..

High-Level Risk Category (as defined by System Office)	Example Risks in Category (as reported by Campus)	# of Specific Risks Reported	# of Institutions/ USMO Reported
Campus Safety	Student or staff injury, environmental hazards, aging facilities and deferred maintenance, campus crime, <b>near campus crime and vibrancy, crisis response preparedness</b>	6	8
Financial Stability / Sustainability	<b>Enrollment/Retention</b> , Tuition dependency, decrease in State funding, poor investment performance, facilities infrastructure,	7	13
Quality Educational Experience	Loss of accreditation, changing student learning preferences, course / material accessibility, instructional delivery, <b>online ADA compliance</b> , aging campus facilities and infrastructure	5	5
Information Systems and Data Security	Data privacy and compliance, technology infrastructure failure, data breach, loss of information, ransomware	4	10
External Relationship Management	Campus and community activism, State officials' relations, decline in public opinion of higher education, Reduced decision-making control, DEI, <b>student issues on social media</b>	7	7
Qualified Workforce	Inability to recruit and retain talent, remote work	2	6
Ethical Governance and Oversight	Non-inclusive work environment, failure to comply with all laws and regs	2	2
Research Funding and Integrity	Research compliance, research and creative achievement	4	3
Culture of Integrity	Student, faculty, and / or staff misconduct, culture, execution and accountability	2	4

## Gaps in ERM Programs

- ▶ Major areas for improvement based on audited programs (10 of 12 institutions):
  - ▶ Risk registers need to be more comprehensive
  - ▶ Each risk has an owner assigned
  - ▶ New and emerging risks considered periodically
  - ▶ Mitigation strategies
    - ▶ Identified
    - ▶ Documented and Reviewed
    - ▶ Monitored
    - ▶ Status reported to governing bodies
  - ▶ Promulgating ERM discipline across the institution

## Collaborative Approaches for Improvement

- ▶ Additional Consulting Support
- ▶ UMB Workshop – July 10, 2023



## Recommendations for Next Steps of ERM-CM Workgroup

- ▶ Institution CM plans are built with plans for recurring tabletop exercises on a periodic basis
- ▶ Institution ERM programs are built and in various states of evolving maturity and risk reporting cadence has been in place for three years.
- ▶ Recommendation:
  - ▶ Sunset the Board of Regents ERM-CM workgroup
  - ▶ Provide standing biennial updates to BOR Audit Committee on ERM and CM at the June and December meetings.

# Questions

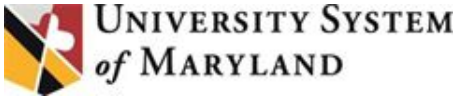
7

# Appendix - Systemwide Reported Risks

Anonymized data in columns A-M reflects all USM institutions reporting and USM Office

Risk	# in common	A	B	C	D	E	F	G	H	I	J	K	L	M
Enrollment/Retention	10	X	X	X	X	X	X	X	X	X	X	X	X	X
Cyber & Data Security and Compliance	10	X		X	X	X	X			X	XX	X	X	X
Attracting and retaining high quality and diverse faculty and staff	7		X	X	X	X		X		X		X		
Financial health - Budget constraints	6			X	X			X		X		X		X
Campus safety/Near Campus Vibrancy	4	X							X			X	X	
Facilities Infrastructure	3		X	X		X								
Significant student, faculty and staff misconduct	3					X	X							X
Emergency/critical health issues	3			X			X						X	
Major student mental health incident	3			X					X					X
Business continuity - system failure	2	X		X										
Crisis Response Preparedness	2									X	X			
Research Integrity and Security	2						X		X					
Research and creative achievement	1					X								
Changing instructional delivery modalities	1												X	
Improve residence halls	1		X											
Externally driven risks	1					X								
Accreditation and State requirements	1	X												
Culture, execution and accountability	1				X									
Non-inclusive work environment	1						X							
Student concerns on social media	1		X											
Activism on campus	1			X										
Failure to comply with federal, state and USM laws and regs	1			X										
Negative Publicity	1							X						
Academic Alignment with Career Pathways	1							X						
Connection with UMMS/C	1								X					
Reduced Decision Making Control	1									X				
Compliance with Online Accessibility Laws and Regulations	1										X			

Majority of institutions reporting similar risk  
 Multiple institutions reporting similar risk  
 One institution reporting risk



**BOARD OF REGENTS**

SUMMARY OF ITEM FOR ACTION,  
**INFORMATION** OR **DISCUSSION**

**TOPIC:** Update of Office of Legislative Audit Activity

**COMMITTEE:** Audit Committee

**DATE OF COMMITTEE MEETING:** June 9, 2023

Since the March 2023 meeting no OLA reports have been issued.

**OLA Engagements Currently Active:**

- Coppin State University
- Towson University
- University of Maryland Global Campus
- University System of Maryland Office
- Salisbury University
- University of Maryland Center for Environmental Science

**FISCAL IMPACT:** none

**CHANCELLOR'S RECOMMENDATION:** none

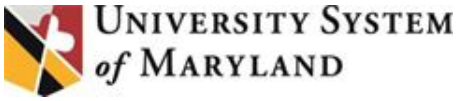
COMMITTEE ACTION: None

DATE:

BOARD ACTION: None

DATE:

SUBMITTED BY: David Mosca



**BOARD OF REGENTS**

SUMMARY OF ITEM FOR ACTION,  
**INFORMATION** OR DISCUSSION

**TOPIC:** Follow up of Action Items from Prior Audit Committee Meetings

**COMMITTEE:** Audit Committee

**DATE OF COMMITTEE MEETING:** June 9, 2023

**Update of Computer Theft at University of Maryland College Park**

Lisa Schuetz is scheduled for a jury trial in the Circuit Court for Prince George’s County from July 10, 2023 to July 13, 2023.

**Update of ERM**

Ongoing

See Attachment: Listing of Open Action Items From 2019 – 2022 Audit Committee Meetings.

attachment

**FISCAL IMPACT:** none

**CHANCELLOR’S RECOMMENDATION:** none

COMMITTEE ACTION: none

DATE:

BOARD ACTION: none

DATE:

SUBMITTED BY: David Mosca

Audit Committee Meeting - Open Session Agenda

Attachment A

USM Board of Regents  
 Action Items From 2019 - 2022 Audit Committee Meetings  
 9-Jun-23

Action Item

Status

**From December 2022 Audit Committee Meeting**

1.	Provide Committee w/ a Comparison of OLA Work Scope to OIA's CY 2023 Audit Plan	Submitted to Committee at March 2023 Meeting.
2.	Monitor Revisions to BOR Policies on Business Entities and Philanthropic Fundraising Foundations	Approved by BOR 2-7-2023

**From October 2022 Audit Committee Meeting**

1.	Include proposed revisions of BOR Policy on Business Entities to Compare to Fundraising Foundation Policy.	Cleared at January Committee Meeting.
2.	Some recommendations made to finalize BOR Policy on Fundraising Foundations	Cleared at January Committee Meeting.

**From June 2022 Audit Committee Meeting**

1.	Update of Fundraising Foundation Policy Development.	Approved by BOR 2-7-2023
----	--	--------------------------

**From March 2022 Audit Committee Meeting**

1.	Update of Fundraising Foundation Policy Development.	Approved by BOR 2-7-2023
2.	Provide Committee Updates of Prosecution of Former Employee's Theft of Computer Equipment- UMCP	Jury trial begins July 10, 2023

**From December 2021 Audit Committee Meeting**

1.	Update of Fundraising Foundation Policy Development.	Approved by BOR 2-7-2023
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**From June 2021 Audit Committee Meeting**

1.	Obtain review of Fundraising Foundation Policy by the OAG.	Approved by BOR 2-7-2023
----	--	--------------------------

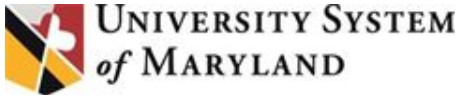
**From March 2021 Audit Committee Meeting**

1.	Submit and recommend modifications to the BOR Policy on Foundations for the Committee's consideration and recommendation to the full Board.	Approved by BOR 2-7-2023
----	---	--------------------------

**From October 2019 Audit Committee Meeting**

1.	Universities shall submit their ERM plan of implementation to the Audit Committee and annually produce risk dashboards. Internal Audit should audit implementation of ERM.	Ongoing.
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Note: Action items concluded prior to the December 2022 BOR Audit Committee meetings are not included in this schedule.



**BOARD OF REGENTS**

SUMMARY OF ITEM FOR ACTION,  
INFORMATION OR DISCUSSION

**TOPIC:** Convening Closed Session

**COMMITTEE:** Audit Committee

**DATE OF COMMITTEE MEETING:** June 9, 2023

**SUMMARY:**

The Open Meetings Act permits public bodies to close their meetings to the public in circumstances outlined in §3-305 of the Act and to carry out administrative functions exempted by §3-103 of the Act. The Committee on Audit will now vote to reconvene in closed session. The agenda for the public meeting today includes a written statement with a citation of the legal authority and reasons for closing the meeting and a listing of the topics to be discussed. The statement has been provided to the regents, it is posted on the USM’s website and copies are available here today.

**ALTERNATIVE(S):** No alternative is suggested.

**FISCAL IMPACT:** There is no fiscal impact.

**CHANCELLOR’S RECOMMENDATION:** The Chancellor recommends that the BOR Audit Committee vote to reconvene in closed session.

COMMITTEE ACTION:

DATE: 6-9-2023

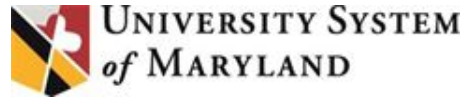
BOARD ACTION:

DATE:

SUBMITTED BY: David Mosca, 443.367.0035, dmosca@usmd.edu







STATEMENT REGARDING CLOSING A MEETING  
OF THE USM BOARD OF REGENTS

Date: June 9, 2023  
Time: Approximately 11:00 AM  
Location: Zoom

STATUTORY AUTHORITY TO CLOSE A SESSION

Md. Code, General Provisions Article §3-305(b):

- (1) To discuss:
  - [ ] (i) The appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or
  - [ x ] (ii) Any other personnel matter that affects one or more specific individuals.
- (2) [ ] To protect the privacy or reputation of individuals with respect to a matter that is not related to public business.
- (3) [ ] To consider the acquisition of real property for a public purpose and matters directly related thereto.
- (4) [ ] To consider a preliminary matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State.
- (5) [ ] To consider the investment of public funds.
- (6) [ ] To consider the marketing of public securities.
- (7) [ x ] To consult with counsel to obtain legal advice on a legal matter.
- (8) [ x ] To consult with staff, consultants, or other individuals about pending or potential litigation.
- (9) [ ] To conduct collective bargaining negotiations or consider matters that relate to the negotiations.

- (10)  To discuss public security, if the public body determines that public discussions would constitute a risk to the public or public security, including:
  - (i) the deployment of fire and police services and staff; and
  - (ii) the development and implementation of emergency plans.
- (11)  To prepare, administer or grade a scholastic, licensing, or qualifying examination.
- (12)  To conduct or discuss an investigative proceeding on actual or possible criminal conduct.
- (13)  To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.
- (14)  Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.
- (15)  To discuss cybersecurity, if the public body determines that public discussion would constitute a risk to: (i) security assessments or deployments relating to information resources technology; (ii) network security information, including information that is: 1. Related to passwords, personal identification numbers, access codes, encryption, or other components of the security system of a governmental entity; 2. Collected, assembled, or maintained by or for a governmental entity to prevent, detect, or investigate criminal activity; or 3. Related to an assessment, made by or for a governmental entity or maintained by a governmental entity, of the vulnerability of a network to criminal activity; or (iii) deployments or implementation of security personnel, critical infrastructure, or security devices.

Md. Code, General Provisions Article §3-103(a)(1)(i):

- Administrative Matters

TOPICS TO BE DISCUSSED:

IT security matters that pose vulnerabilities, legislative audit matters that are ongoing and, therefore, confidential; discussion of investigative matters which may lead to criminal prosecution or legal action; calendar year 2023 internal audit plan of activity; meeting separately with independent auditor's engagement partner and USM's VC of accountability.

REASON FOR CLOSING:

- 1) Potentially seek advice of legal counsel. Discuss with staff, consultants, and legal counsel regarding potential litigation. Discuss an investigative proceeding into possible criminal conduct and maintain confidentiality of discussions regarding ongoing investigations by outside agencies, which potentially could result in criminal prosecutions. (§3-305(b)(7)), (§3-305(b)(8)) and (§3-305(b)(12));
- 2) To maintain confidentiality of USM's cybersecurity that would constitute a risk vulnerability of networks, critical IT infrastructure and information resources. (§3-305(b)(15));
- 3) To maintain the confidentiality of matters involved in ongoing legislative audits, as required by Section 2-1226 of the State Government Article of the Annotated Code of Maryland (§3-305(b)(13));
- 4) To carry out an administrative function: discussion of calendar year's 2023 audit plan of activity by the USM Office of Internal Audit (§ 3-103(a)(1)(i); and
- 5) To carry out an administrative function: the Committee's separate meeting with the VC of Accountability and independent auditors (§3-103(b)(1)(ii)).