



**STATE BOARD OF EDUCATION
AUDIT COMMITTEE**

**APPROVED MINUTES
STATE BOARD OF EDUCATION AUDIT COMMITTEE
June 21, 2017**

A regular meeting of the Audit Committee of the State Board of Education was held on June 21, 2017 in Boise, Idaho and video conference throughout Idaho.

ATTENDANCE

Committee: Don Soltman, Chair; Emma Atchley, Steve Speidel

Board staff: Scott Christie, Chet Herbst

BSU: Jo Ellen Dinucci, Suzanne Adams, Larry Harmon, Mark Eisenman, Texie Evans

ISU: Brian Hickenlooper, Brant Wright, Reese Jensen, Joanne Hirase-Stacey

UI: Brian Foisy, John Keatts, Linda Campos, Brad White

LCSC: Todd Kilburn, Teresa Cole, Ryan Bircher

AGENDA

1. Approve March 8, 2017 Meeting Minutes

The meeting minutes of the March 8, 2017 Audit Committee meeting were approved unanimously as presented.

2. Moss Adams FY 2017 Interim Report

Moss Adams presented their interim report for the FY 2017 audits for each of the colleges and universities. There were no issues at this time that would delay the scheduled timeline.

3. 3rd Quarter 2017 Financial Reports

The institutions presented their 3rd quarter 2017 financial reports.

Moss Adams expressed concern regarding a trend in email phishing, which uses staff names and email addresses, which appear as legitimate requests to have the recipient transfer funds.

The Committee requested the institution provide separate information for adjuncts in employment and turnover figures. This might show any unrest for both full-time and part-time employees.

The Committee requested dual credit be shown separately for enrollment figures.

The Committee requested staff to determine best methods to review enrollment in the quarterly reports.

4. Risk Rating Guidelines

The Committee reviewed risk-rating guidelines suggested by the internal auditors, which would be used to categorize the status of an audit or investigation. The Committee adopted the guidelines and requested the institutions periodically update the guidelines as a whole. The guidelines will be posted to the Audit Committee web page under Helpful Documents.

5. FY 2018 Internal Audit Plans

The Committee reviewed and approved the internal audit plans for each institution. There were no changes to the internal audit charters except for a list of defined terms for University of Idaho.

The Board revised policy on courtesy vehicles November 2016. The Committee requested the internal auditors add compliance with this policy in their plans.

The Committee approved all plans.

6. Revision to Board policy for minor foundation agreements

General Counsel for BSU, ISU and UI will provide proposed revisions to Board policy V.E. regarding operating agreements for minor foundations such as boosters and alumni association for the November Audit Committee meeting.

7. Boise State University Research Foundation Operating Agreement

The Committee approved the operating agreement between BSU and the BSU Research Foundation and forwarded it to the Board for its August meeting.

8. Idaho State University Foundation Loaned Employee Agreement

The Committee approved the loaned employee agreement between ISU and the ISU Foundation, which replaced the Director of Finance and Operations.

Meeting adjourned at 1:15 pm (Mountain)