



**STATE BOARD OF EDUCATION
AUDIT COMMITTEE**

STATE of IDAHO
BOARD of EDUCATION

**APPROVED MINUTES
STATE BOARD OF EDUCATION AUDIT COMMITTEE
November 8, 2017**

A regular meeting of the Audit Committee of the State Board of Education was held November 8, 2017 in Boise, Idaho and video conference in Moscow and Pocatello, Idaho.

ATTENDANCE

Committee: Don Soltman, Chair; Emma Atchley, Andy Scoggin, Stephen Speidel

Board staff: Chet Herbst, Scott Christie

Moss Adams: Scott Simpson, Tammy Erickson, Pam Cleaver

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

ISU: Brian Hickenlooper, Angie Dobbins, Bob Hite, Reese Jensen, Joanne Hirase-Stacey

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

LCSC: Todd Kilburn, Teresa Cole, Ryan Bircher

EITC: Christian Godfrey, Don Bourne

AGENDA

1. Approve June 21, 2017 Meeting Minutes

The meeting minutes of the June 21st 2017 Audit Committee meeting were approved unanimously as presented with minor edits.

2. Moss Adams FY 2017 Audit Report

Scott Simpson, Tammy Erickson and Pam Cleaver reviewed the results of the FY 17 audits. The Committee unanimously approved the second amendment to the audit contract, which includes a 1% increase for the FY 2018 audit year.

3. Year-end FY 2017 Financial Reports

The institutions presented their year-end FY 2017 financial statements. Staff and the institutions will work on establishing the calculations and benchmarks for the three new ratios: Debt Burden, Debt Coverage and Life of Capital Assets.

4. Proposed Policy Revisions: V.E.

The Committee discussed revisions to Board Policy V.E., which would allow affiliated foundations that prefer to route all funds/gifts to the institution through another Board-approved foundation, could do so, and recurring approval of their operating agreements would not be required.

The Committee unanimously agreed to place on the December 2017 Board meeting for first reading revisions to Board policy V.E. and the associated affiliated foundation agreement template, as presented by the Audit Committee.

5. Lewis-Clark State College Foundation Operating Agreement

The Committee unanimously approved the revisions to the Operating Agreement between Lewis-Clark State College and the Lewis-Clark State College Foundation, Inc., as presented.

6. Institution Internal Audit Year-End Reports

The internal auditors for the 4-year institutions reviewed their FY 2017 year-end reports.

The Committee requested the internal auditors include in their findings the name and/or title of the person responsible for the follow-up action and the time frame/due date for completion.

7. RISE Building

The Committee, assisted by Board counsel, met with ISU's legal counsel and internal auditor who summarized the issues and recent actions relating to the RISE investigations. The Audit Committee Chair will provide an update to the Board President and recommend that ISU's president provide an update to the Board on actions taken, including internal control measures, in response to the issues identified by the RISE investigations.

8. Resignation of Brent Moylan

The Committee was informed that Brent Moylan resigned as a non-Board member.

9. Audit Committee 2018 Meetings

Staff to email potential dates of meetings in 2018 to Committee members for their feedback.

The Committee requested staff to place the appointment of Johanna Hale on the December Consent agenda contingent on her intent to serve as an outside member on the Audit Committee. Staff will forward pertinent documents to Ms. Hale for her review.

The Committee determined that an annual face-to-face meeting was not necessary except for the meetings where the Internal Auditors present their reports.

Meeting adjourned at 5:40 pm (Mountain)