

DRAFT

North Dakota State Board of Higher Education

Wednesday, April 25, 2018, Audit Meeting Minutes

The State Board of Higher Education Audit Committee met April 25th at 2:30 p.m. CT, via conference call originating from the State Capitol, 10th Floor Conference room, 600 East Boulevard Avenue, Bismarck, ND, 58505.

Chair Stemen called the meeting to order at 2:30 p.m. CT.

SBHE Audit Committee members participating:

Mr. Greg Stemen, Chair

Ms. Kathleen Neset

Dr. Kevin Melicher

NDUS staff participating:

Chancellor Hagerott

Ms. Tammy Dolan, Chief Financial Officer

Ms. Laura Schratt, Director of Audit Services

Mr. Rick Tonder, Director of Facilities Planning

Ms. Patty Schock, Accounting Specialist

Mr. Nick Vaughn, Assistant Attorney General

Ms. Kristie Hetzler, Executive Assistant to SBHE

Others participating:

Mr. Mike Bohr, NDSU

Mr. Craig Hashbarger, State Audit Manager

Mr. Brian Hermanson, State Auditor's Office

Mr. Dennis Gladen, NDSCS

Mr. Keith Johnson, NDSCS

1. **Agenda**

Melicher moved, Neset seconded, to approve the agenda.

Melicher, Neset, and Stemen voted yes.

2. **Meeting Minutes**

Neset moved, Melicher seconded, to approve the March 16, 2018, meeting minutes.

Neset, Melicher, and Stemen voted yes.

3. **Executive Session**

Melicher moved, Neset seconded, to move to enter Executive Session to consider (1) the State Auditor's draft performance audit report for emergency preparedness at North Dakota State University dated January 11, 2018, and (2) any response from the institution or system to the draft report and associated recommendations. The executive session shall be limited to members of the Committee, the Chancellor and staff, Board counsel, representatives of the State Auditor's office, and invited campus officials

The legal authority for closing this portion of the meeting is North Dakota Century Code sections 44-04-19.2 and 54-10-26.

Melicher, Neset, and Stemen voted yes.

Executive Session began at 2:38 p.m. CT.

SBHE Audit Committee members participating:

Mr. Greg Stemen, Chair
Ms. Kathleen Neset

NDUS staff participating:

Chancellor Hagerott
Ms. Tammy Dolan, Chief Financial Officer
Ms. Laura Schratt, Director of Audit Services
Mr. Rick Tonder, Director of Facilities Planning
Ms. Patty Schock, Accounting Specialist
Mr. Nick Vaughn, Assistant Attorney General
Ms. Kristie Hetzler, Executive Assistant to SBHE

Others participating:

Mr. Craig Hashbarger, State Auditor's Office
President Miller, WSC
Mr. Vincent Pachillo, WSC
President Richman, NDSCS
Mr. Dennis Gladen, NDSCS
Mr. Keith Johnson, NDSCS
Ms. Ann McGray, NDSCS
Ms. Donna Fishbeck, BSC

Reconvened at 3:00 p.m. CT.

4. Take action as discussed in Executive Session regarding the State Auditor's draft performance audit report.

Neset moved, Melicher seconded, to approve the performance audit report for emergency preparedness at North Dakota State University dated January 11, 2018, and the response from the institution and/or system to the draft report and associated recommendations.

Neset, Melicher, and Stemen voted yes.

5. **Policy 302.2, Audit Committee**

Mr. Nick Vaughn reviewed draft amendments to policy 302.2. The Committee will further review and revisit to make a recommendation at the next Audit Committee meeting.

6. **Fiscal Year 2018 Q3 NDUS Audit Plan Update**

Ms. Laura Schratt reviewed progress with the fiscal year 2018 third quarter NDUS Audit Plan.

The Meeting adjourned at 3:20 p.m. CT.