

**North Dakota State Board of Higher Education  
Audit Committee**

January 22, 2020, Meeting Minutes

The State Board of Higher Education Audit Committee met Wednesday, January 22, 2020, at 11:00 a.m. CT., via conference call originating from the State Capitol, 10<sup>th</sup> Floor Conference room, 600 East Boulevard Avenue, Bismarck, ND, 58505.

Committee Chair Neset called the meeting to order at 11:00 a.m. CT.

SBHE Audit Committee members participating:

Ms. Kathleen Neset  
Mr. Tim Mihalick  
Mr. Don Morton

NDUS staff participating:

Ms. Tammy Dolan, Vice Chan for Admin/CFO  
Ms. Robin Putnam, Director of Financial Reporting  
Ms. Dina Cashman, Senior Internal Auditor  
Ms. Laura Schratt, Chief Audit Executive  
Ms. Karol Riedman, Chief Compliance Officer  
Ms. Patty Schock, Accounting Specialist  
Ms. Terry Meyer, Chief of Staff  
Ms. Kristie Hetzler, Executive Assistant to the State Board of Higher Education

Others participating:

Mr. Brent Winiger, MiSU  
Ms. Lisa Mock, DCB  
Ms. Becky Collins, BSC  
Mr. Dennis Gladden, NDSCS  
Mr. Chris Pieske, AG Office  
Mr. Eric Olson, AG Office  
Ms. Robin Hoffman, State Auditor's Office

1. **Agenda**

Morton moved, Mihalick seconded, to approve the agenda.

Mihalick, Morton, and Neset voted yes.

2. **Meeting Minutes**

Mihalick moved, Morton seconded, to approve the November 20, 2019, meeting minutes.

Morton, Mihalick, and Neset voted yes.

3. **Executive Session** (began 3:33 p.m. CT)

Mihalick moved, Morton seconded, to enter Executive Session at 3:30 p.m. CT, to consider (1) the State Auditor's draft annual financial audit report of NDUS Governance Communication, for the period ending June 30, 2019, and (2) any response from the system office 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.

Mihalick, Morton, and Neset voted yes.

SBHE Audit Committee members participating:

Ms. Kathleen Neset  
Mr. Tim Mihalick  
Mr. Don Morton

NDUS staff participating:

Ms. Tammy Dolan, Vice Chan for Admin/CFO  
Ms. Robin Putnam, Director of Financial Reporting  
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Ms. Patty Schock, Accounting Specialist  
Ms. Terry Meyer, Chief of Staff  
Ms. Kristie Hetzler, Executive Assistant to the State Board of Higher Education

Others participating:

Mr. Chris Pieske, AG Office  
Mr. Eric Olson, AG Office  
Ms. Robin Hoffman, State Auditor's Office

Executive session adjourned at 3:45 p.m. CT.

4. **Reconvene in open meeting** (3:47 p.m. CT)

Morton moved, Mihalick seconded, to accept the annual financial audit report of NDUS Governance Communication and responses, for the period ending June 30, 2019.

Morton, Mihalick, and Neset voted yes.

5. **Update on Q3 Internal Audit Plan**

Ms. Laura Schratt provided an update on the [Q3 internal audit plan](#). Reporting, monitoring, roles and responsibilities of internal audit are based on [policy 306.2](#), Internal Audit Charter. Chair Neset and Chancellor Hagerott emphasized the importance of the internal audit function and for the campuses to continue to respond and answer to the recommendations in audits. Chair Neset expressed her thanks to the campuses for their continued work.

6. **Update on Q4 Continuous Review**

Ms. Laura Schratt provided an update on [Q4 continuous review](#).

7. **Follow-up on P-card data**

Ms. Laura Schratt provided follow-up from the November SBHE Audit Committee meeting regarding data on p-cards.

8. **Update on Compliance Program**

Ms. Karol Riedman provided an update on the campus compliance champions at the campuses and the NDUS [compliance and ethics webpage](#). Chair Neset thanked the campuses for identifying campus representatives as their compliance liaison for Ms. Riedman.

The meeting adjourned at 11:35 a.m. CT.

Approved March 12, 2020.