

North Dakota State Board of Higher Education
January 20, 2021, Audit Committee Meeting Minutes

The State Board of Higher Education Audit Committee met January 20th, at 11:00 a.m. CT, via Teams/conf. call originating from the State Capitol, 10th Floor Conference room, 600 East Boulevard Avenue, Bismarck, ND, 58505.

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

SBHE Members Present:

Ms. Kathleen Neset
Mr. Tim Mihalick
Mr. Nick Hacker

Campus Representatives: **MaSU**-Steve Benson, **LRSC**-President Darling, Cory Kenner, Joann Kitchens, **MiSU**-President Shirley, Brent Winniger, **NDSCS**-President Richman, Dennis Gladden, **NDSU**- Bruce Bollinger, **UND**-Sharon Loiland, **VCSU**-Westley Wintch, **WSC**-Riley Yadon

Others present: **NDUS**-Chancellor Hagerott, Dina Cashman, Lisa Johnson, Terry Meyer, Kristie Hetzler, Karol Riedman, David Krebsbach, Tammy Dolan, Jerry Rostad, **AG Office**-Chris Pieske

1. **Agenda**

Mihalick moved, Hacker seconded, to approve the agenda.

Mihalick, Hacker, and Neset voted yes.

2. **November 18, 2020, Meeting Minutes**

Mihalick moved, Hacker seconded, to approve November 18, 2020, meeting minutes.

Hacker, Mihalick, and Neset voted yes.

3. **Executive Session** (began at 11:04 a.m. CT.)

Hacker moved, Mihalick seconded, to enter Executive Session to consider (1) the State Auditor's draft financial audit report of Governance Communication Including the Report on Internal Control, Compliance and Other Matters for the year ended June 30, 2020 for the NDUS Annual Financial audit (2) any response from the institutions/entities 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. Nick Hacker

NDUS staff participating:

Ms. Tammy Dolan
Ms. Robin Putnam
Ms. Dina Cashman
Ms. Karol Riedman
Ms. Terry Meyer
Ms. Kristie Hetzler

Others participating:

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

Executive session adjourned at 11:20 a.m. CT.

4. **Reconvened** (11:22 a.m. CT.)

Mihalick moved, Hacker seconded, to accept the State Auditor's draft financial audit of Governance Communication including the report on internal control, compliance and other matters for the year ended June 30, 2020 for NDUS and responses from the institutions/entities to the draft report and.

Mihalick, Morton, and Neset voted yes.

5. **Internal Audit Staffing**

Ms. Kathleen Neset and Ms. Jane Grinde provided background information on the system office Chief Internal Executive position and current staffing/funded position(s). Ms. Terry Meyer provided the process and timeline for a full external/internal search. The committee discussed options for committee members to participate in the search process; they agreed to have one member co-chair the search committee.

Hacker moved, Mihalick seconded, to appoint Kathleen Nest as co-chair of the Williston State College Presidential Search Committee.

Mihalick, Morton, and Neset voted yes.

6. **Update on Compliance**

Ms. Karol Riedman provided a compliance update.

Ms. Dina Cashman provided updates/reports on the following, items 7 and 8:

7. Update on [Quarterly Audit plan](#)
8. Report on [Quarterly Continuous review](#)

Mr. David Krebsbach provided updates on the following reports, items 9 – 11.

9. [Management Report](#) – Mr. David Krebsbach
10. [Open Audit Issues report](#) – Mr. David Krebsbach
11. Report on [Audit Issues closed](#) since last quarter – Mr. David Krebsbach

The meeting adjourned at 12:05 p.m. CT.

Approved April 21, 2021.