

North Dakota State Board of Higher Education
April 18, 2022, Audit Committee Meeting Minutes

The State Board of Higher Education Audit Committee met on April 18th at 11:30 a.m. CT, via Teams/conf. call.

SBHE Audit Committee members participating:

Mr. Nick Hacker (Chair)
Mr. Tim Mihalick
Mr. Jeffry Volk

NDUS staff participating:

Chancellor Hagerott
Ms. Terry Meyer
Ms. Dina Cashman
Mr. Dustin Walcker
Mr. David Krebsbach
Ms. Kristie Hetzler
Ms. Karol Riedman
Mr. Jerry Rostad
Ms. Mindy Sturn

Others participating:

Ms. Sonja Koble, BSC
Ms. Kim Dressler and Mr. Kent Anderson, DSU
Dean Migler and Ms. Lisa Mock, DCB
President Van Horn and Mr. Steve Benson, MaSU
President Darling and Mr. Corry Kenner, LRSC
Ms. Janell Watson, MiSU
Interim President Link and Mr. Keith Johnson, NDSCS
Mr. Bruce Bollinger, Mike Ellingson, Mike Pieper, Karla Stewart, Lisa Ripplinger, Karin Hegstad,
Incoming President, Mr. Cook, NDSU
Ms. Lisa Ripplinger, NDSU
Ms. Erica Buchholz and Ms. Krista Lambrecht, WSC
Ms. Robyn Hoffman, SAO
Mr. Eric Olson, AG's Office

1. **Agenda**

Volk moved, Mihalick seconded, to approve the agenda.

Volk, Mihalick, and Hacker voted yes.

2. **Meeting Minutes**

Mihalick moved, Volk seconded, to approve the March 16, 2022, meeting minutes, as presented.

Mihalick, Volk, and Hacker voted yes.

3. **Executive Session** 11:32 a.m. CT.

Volk moved, Mihalick seconded, to move to enter Executive Session to consider (1) the State Auditor's Draft operational audit report for the NDSU Extension Services and Northern Crops Institute for the biennium ended June 30, 2021. and (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, Volk, and Hacker voted yes.

SBHE Audit Committee members participating:

Mr. Nick Hacker (Chair)

Mr. Tim Mihalick

Mr. Jeffry Volk

NDUS staff participating:

Chancellor Hagerott

Ms. Terry Meyer

Ms. Dina Cashman

Mr. David Krebsbach

Ms. Kristie Hetzler

Ms. Karol Riedman

NDSU Representatives participating:

Mr. Bruce Bollinger, Mike Ellingson, Mike Pieper, Karla Stewart, Lisa Ripplinger, Karin Hegstad,

Ms. Lisa Ripplinger, NDSU

Ms. Robyn Hoffman, SAO

Mr. Eric Olson, AG's Office

Executive Session began at 11:34 a.m. CT.

Volk moved, Mihalick seconded, to adjourn executive session at 11:41 a.m. CT.

Open Session 11:41 a.m. CT.

Committee Chair Hacker

Mr. Mihalick

Mr. Volk

Mihalick moved, Volk seconded, to accept (1) the State Auditor's Draft operational audit report for the NDSU Extension Services and Northern Crops Institute for the biennium ended June 30, 2021. and (2) any response from the institutions/entities to the draft report and associated recommendations.

Mihalick, Volk, and Hacker voted yes.

4. **Proposed Change in NDUS Internal Audit Org Chart**

Ms. Dina Cashman reviewed the proposal to [re-organize the NDUS internal audit department](#). She explained that currently the NDUS internal audit function has a chief internal audit executive and two positions as senior internal auditor, one position has been filled and the other is open.

Her request is to change the vacant position from senior internal auditor to internal auditor due to the budget constraints and current job market.

Mihalick moved, Volk seconded, to approve the internal audit position change.

Mihalick, Volk, and Hacker voted yes.

5. Management Report

Ms. Mindy Sturn reviewed the attached [Management Report](#). She noted the prior not implemented findings are in a separate breakdown and there are plans in place for them to be finished within the 2022 calendar year.

6. Quarterly Audit Plan Progress Update

Ms. Dina Cashman provided an update on the progress of the approved [internal audit plan as of March 31st, 2022](#). The first page has the audits by institutions and the second page has a summary and a percentage of completion. *After March 31, there was a request from the Audit Committee Chair to do a system-wide review related to supplier/vendor updates. We are in the planning stage of this review and will update the Committee once the review is completed. We will also ask the Committee to approve the updated internal audit plan to reflect this request during the next meeting.*

7. Quarterly Continuous Review Update

Ms. Dina Cashman provided an update on the quarterly [continuous review](#). The committee confirmed that the vendor continuous and negative comp time reports are an annual basis going forward and that it has been communicated to campuses. The last 3 reports were results from Fin, HR, and CS deprovisioning access. Campus Solution deprovisioning review was added in February. These reviews look at the employee's access to the systems and compare the date when the access was removed with the employee termination, employees with untimely access deletion are included on the report. Campus Connection deprovisioning has been added after CTS automated the process.

8. Compliance Update

Ms. Karol Riedman updated the committee on the two system wide trainings and process for the Pcard and theft and fraud trainings, both are set to be completed by the end of April. The committee inquired on the status of implementation for the new hotline system. Ms. Riedman stated that three quotes were received, a vendor was selected, she is working with campuses to identify investigators, and legal is reviewing the contract. Mr. Olson stated he was working on finalizing the contract and Ms. Riedman should be able to provide a demo by the May committee meeting.

The meeting adjourned at 11:58 a.m. CT.

Approved May 18, 2022.