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

The State Board of Higher Education Audit Committee met May 18th at 11:00 a.m. CT., via Teams/conf. call.

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

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
Mr. Jerry Rostad
Ms. Robin Putnam
Ms. Mindy Sturn

Others participating:

Ms. Sonja Koble, BSC
President Easton, DSU
Dean Migler, DCB
President Van Horn and Mr. Steve Bensen, MaSU
Mr. Corry Kenner, LRSC
Mr. Brent Winiger, MiSU
Mr. Keith Johnson, NDSCS
President Cook and Bruce Bollinger, NDSU
Ms. Lisa Ripplinger, NDSU
Ms. Erica Buchholz, VCSU
President Hirning and Ms. Krista Lambrecht, WSC

1. **Agenda**

and,

2. **Meeting Minutes**

Mihalick moved, Volk seconded, to approve the agenda and April 18, 2022, meeting minutes, as presented.

Volk, Mihalick, and Hacker voted yes

3. **Amended FY22 Internal Audit Plan**

Ms. Dina Cashman reviewed proposed amendments to the [FY 22 Internal Audit Plan](#). She explained there would be a new system-wide peoplesoft suppliers audit added and to transfer the audits to the next year's audit plan.

Volk moved, Mihalick seconded, to recommend approval of the amended FY22 Internal Audit Plan, as presented.

Mihalick, Volk, and Hacker voted yes.

4. **NDUS Internal Audit Executive Survey Results**

Ms. Dina Cashman reviewed the results of the 2022 NDUS Internal Audit [Executive Survey](#). The results have also been distributed to the Chancellor, NDUSO senior staff, Presidents, and campus VP's of Finance and Administration. There were thirty-four recipients and fourteen responses received, a 41% response rate. The report shows an average score of 79% satisfaction rate; the average score was calculated based on the six questions and it was an increase in satisfaction from last year. Ms. Cashman noted that she has received suggestions in areas to focus on and will take into consideration when drafting next year's internal audit plan. Committee Chair Hacker noted that NDUS Internal Audit is making progress and engaging with constituents to find ways to improve internal audit and continue to be a resource and partner for the institutions.

The committee discussed options to separate out the responses to determine if specific areas received lower and/or higher satisfaction rates by recipients. The survey is anonymous and categorizing by recipients would make it difficult to remain anonymous and receive honest feedback. Internal audit will take a look at how to address the responses to be separated by recipients and at the same time preserve anonymity during the next year's survey.

Ms. Dina Cashman stated that she will be drafting next year's audit plan and distribute it to committee members; it will be on next month's audit agenda.

5. **Compliance and Hotline Update**

Ms. Karol Riedman provided an update on compliance; she stated that policies and procedures are on a reoccurring review/update process to maintain a review of each policy that has not been under review in ten years or more to either re-affirm or amend. Eventually this review cycle will move to every five years.

The new theft, fraud, and code of conduct training for all benefited employees has been completed; the new training was updated into a scenario based interactive format. The Pcard holder training is close to completion, due to more than a year of COVID disruptions, the Pcard training required more coordination to identify those that remained Pcard holders and include new holders.

The committee discussed the components of the new training, such as, but not limited to, the length, percent of participation, and how any minor and technological glitches were worked through.

The new hotline is called NDUS Fraud and Compliance Hotline and is live with a soft opening to allow time to update the information posted at campuses and in the system office, including the website. The hotline through Eide Bailly will remain open until June 1st to help make the transition smoother.

Institutions' investigators have been identified and contacted; they will have access to the case management system and a team site for resources. Templates are available and every Friday there's training available for administrators and investigators, including a question and answer provided through the new hotline vendor.

The meeting adjourned at 11:25 a.m. CT.

Approved June 22, 2022.